

KINGDOM OF SAUDI ARABIA

*Report on the Implementation
of the New Urban Agenda
2022*



IMPLEMENTING
THE NEW
URBAN AGENDA

وزارة الشؤون البلدية
والقروية والإسكان
Ministry of Municipal Rural Affairs & Housing



KINGDOM OF SAUDI ARABIA

Report on the Implementation of the New Urban Agenda

MINISTRY OF MUNICIPAL, RURAL AFFAIRS & HOUSING
KINGDOM OF SAUDI ARABIA

Acknowledgements

The preparation of this report is the result of the collective efforts of many different government and non-government stakeholders. We would therefore like to acknowledge the contributions of our colleagues at the Ministry of Municipal, Rural Affairs and Housing, Ministry of Economy and Planning, Ministry of Human Resources and Social Development, Ministry of Environment, Water and Agriculture, Development Authorities Support Center, Royal Commission for Riyadh City, General Authority for Statistics, Sharqia Development Authority, Strategic Management Office, Mohammed Bin Salman Foundation (Misk), King Khalid Foundation, Public Investment Fund, Bunyan, Center for Local Governance, Alwaleed Philanthropies, King Saud University, King Abdulaziz University and UN-Habitat Saudi Arabia among others.

Future use of the contents and materials in this report requires proper referencing and citation.

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“We want, in the short and long term, to have urban planning that serves our country, serves its authenticity, and enshrines its originality.”

The Custodian of the Two Holy Mosques
King Salman bin Abdulaziz Al Saud



“Today, 80% of the world’s economies are based in cities, and in the next twenty years, 90% of the world’s economies will be based in cities. If you want to create development, create development in the city because it is your greatest tool for creating growth and creating jobs.”

His Royal Highness

Mohammed bin Salman bin Abdulaziz Al Saud

Crown Prince, Prime Minister

Chairman of the Council of Economic and Development Affairs



Majed bin Abdullah Al-Hogail

Minister of Municipal, Rural Affairs and Housing

The Kingdom of Saudi Arabia is currently at an important moment in its history. As we set out to position ourselves as a country of the future, we are undergoing an ambitious process of transformation and modernization. This is being driven by the Kingdom's Vision 2030 Framework, which sets out important aspirations for the country and underscores major reforms in the public sector, the economy and society as a whole. Among others, it seeks to diversify the economy, expand the cultural and entertainment sector, create new opportunities for women and youth and improve the quality of life for all. To achieve this, of course, will be no easy task.

With nearly 85 percent of Saudi Arabia's population living in urban areas, Saudi cities have an important role to play in realizing this transformation. To achieve this, however, requires a shift from the business-as-usual approach to planning and managing cities that has become so prevalent around the world, towards more bold and innovative solutions that enable us to break free from these traditional models. While acknowledging that this transformation is a journey and not a destination, the Kingdom of Saudi Arabia views the New Urban Agenda as an important roadmap to transform its cities into more desirable and productive places to live and work. This includes promoting density and mixed-use, fostering innovative housing solutions, encouraging multimodal transportation options and building and activating public spaces to create a more vibrant and inclusive environment for all.

This report, which represents the Kingdom's submission to the United Nations Habitat III process, takes stock of the many success stories that have taken place throughout the Kingdom over the past 5 years and displays the progress that has been achieved on our path to build a more prosperous, vibrant and sustainable nation. It also distills its urban development experiences for other countries that may be facing similar obstacles on their path towards building more sustainable cities. Like the Kingdom's ambitious urban transformation, this report is not the result of one actor alone, but instead the contribution of many governmental and non-governmental stakeholders that are committed towards making the Kingdom of Saudi Arabia a better place to live, work and enjoy themselves. I am therefore pleased to share the Kingdom of Saudi Arabia's Report on the Implementation of the New Urban Agenda with the rest of the world.

<p>وزارة الشؤون البلدية والقروية والإسكان Ministry of Municipal Rural Affairs & Housing</p> 	<p>وزارة الاقتصاد والتخطيط MINISTRY OF ECONOMY & PLANNING</p> 	<p>Human Resources and Social Development</p> 
<p>وزارة البيئة والمياه والزراعة Ministry of Environment Water & Agriculture</p> 	<p>الهيئة الملكية لمدينة الرياض ROYAL COMMISSION FOR RYADH CITY</p> 	<p>الهيئة العامة للإحصاء General Authority for Statistics</p> 
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<p>مسك ميسك مؤسسة محمد بن سلمان Mohammed Bin Salman Foundation</p> 	<p>مؤسسة الملك خالد KING KHALID FOUNDATION</p> 	<p>صندوق الاستثمارات العامة Public Investment Fund</p> 
<p>بنيان Bunyan</p> 	<p>مركز الإدارة المحلية Center for Local Governance</p> 	<p>ALWALEED PHILANTHROPIES الوليد للإنسانية</p> 
<p>جامعة الملك سعود King Saud University</p> 	<p>مركز الملك محمد بن عبدالعزيز Center for King Mohammed bin Abdulaziz</p> 	

REPORT KEY CONTRIBUTORS

PREFACE

The Third United Nations Conference on Housing and Sustainable Urban Development, known as Habitat III, was held in Quito, Ecuador in 2016 and attended by more than 167 countries. As the name suggests, it is the third of its kind, with such conferences only taking place every 20 years – Habitat I was held in Vancouver, Canada, in 1976 and Habitat II in Istanbul, Turkey, in 1996. The Habitat Conferences are important milestones as they provide an opportunity for governments and urban development actors worldwide to unite and share their urban development experiences – highlighting their successes and shortcomings.

The outcome of the Habitat III Conference was the adoption of the New Urban Agenda. This landmark document sets out an ambitious framework for how countries should plan and manage their cities, towns and villages to promote the shared values of livability, inclusiveness, sustainability and resilience. It is also considered an essential component for achieving the Sustainable Development Goals.

As part of the Habitat III process, Member States have been requested to carry out follow-up reviews of the New Urban Agenda to track progress, assess impact, and ensure the agendas effective and timely implementation. These reports serve as a basis for qualitative and quantitative analysis of the progress made in implementing the New Urban Agenda and internationally agreed-on goals and targets relevant to sustainable urbanization and human settlements. These progress reports are expected to be submitted to the Habitat III Secretariat every 4 years.

It is important to note that the preparation of these reports is taking place when the pace of urbanization has been accelerating around the world, and as a result, settlements are under immense pressure – socially, economically and environmentally. The COVID-19 Pandemic revealed vulnerable fault lines in cities, requiring decision makers and planning professionals to rethink how they organize urban areas. Significant efforts are therefore required to make room for growing urban populations and ensure that cities and towns offer improved quality of life for the people living there and do not compromise the natural ecosystems and diverse habitats surrounding them. While many countries have been overwhelmed by the challenges caused by unplanned urbanization, the Kingdom of Saudi Arabia has been working proactively to prepare for the future by harnessing the opportunities and potential presented by urbanization.

2016 was an important moment for urban development in the Kingdom of Saudi Arabia. At that time, the country was preparing for a major shift with the preparation of the Vision 2030 Framework. This ambitious vision set out important aspirations for the country and underscored major reforms in the public sector, the economy and society as a whole. Among others, this included efforts to diversify the economy, expand the cultural and entertainment sector, open for tourism, introduce modern technologies and create new job opportunities, particularly for women and youth; all with the aim of enhancing the quality of life of Saudi citizens and those who visit the country. Not only was this a transformative time for the Kingdom, but it was also occurring at an important time for the world. This coincided with the establishment of the Sustainable Development Goals and the New Urban Agenda. This incidental alignment provided an opportunity to not only set out important aspirations for the Kingdom, but also provided a roadmap to transform Saudi Arabia's cities and villages in a manner that promotes the shared values of livability, inclusiveness, sustainability and resilience.

Today, the Kingdom of Saudi Arabia has an extensive list of success stories, including policies, projects and initiatives that are being implemented to modernize the country and to make Saudi cities and villages more prosperous and livable. Few countries have undergone as significant of a transformation as Saudi Arabia has over the last 5 years. This report, therefore, represents an important opportunity to take stock of the Kingdom's urban development efforts and to share these experiences and success stories with the world.

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ABBREVIATIONS

AI	Artificial Intelligence
ASDRR	Arab Strategy for Disaster Risk Reduction
CEDA	Council of Economic and Development Affairs
CO ₂	Carbon Dioxide
COVID-19	Coronavirus Disease
CPI	City Prosperity Index
DASC	Development Authorities Support Center
DRR	Disaster Risk Reduction
EPI	Environmental Performance Index
FSCP	Future Saudi Cities Programme
G20	Group of 20
GASTAT	General Authority for Statistics
GDP	Gross Domestic Product
GFDRR	Global Facility for Disaster Reduction and Recovery
GHG	Green House Gases
GIS	Geographic Information System
GW	Gigawatt
Habitat III	Third UN Conference on Housing & Sustainable Urban Development
ICT	Information and Communications Technology
KAEC	King Abdullah Economic City
KSA	Kingdom of Saudi Arabia
LAS	League of Arab States
LED	Light Emitting Diode
LEED	Leadership in Energy and Environmental Design
LUO	Local Urban Observatory
MCIT	Ministry of Communications and Information Technology
MHRSD	Ministry of Human Resources and Social Development
MoMRAH	Ministry of Municipal, Rural Affairs and Housing
NDF	National Development Fund
NDG	National Design Guidelines
NDP	National Development Plan
NGO	Non-Governmental Organization
NSS	National Spatial Strategy
NTP	National Transformation Program
NUA	New Urban Agenda
NUO	National Urban Observatory
NWC	National Water Company
OECD	Organisation for Economic Co-operation and Development
PIF	Public Investment Fund
PM10	Particulate Matter 10
PV	Photovoltaic

RCJY	Royal Commission for Jubail and Yanbu
RDA	Regional Development Authority
RDG	Regional Design Guidelines
REDF	Real Estate Development Fund
ROPME	Regional Organization for the Protection of the Marine Environment
SAR	Saudi Arabia Riyal
SDAIA	Saudi Data and Artificial Intelligence Authority
SDG	Sustainable Development Goals
SEEC	Saudi Energy Efficiency Center
SFDRR	Sendai Framework for Disaster Risk Reduction
SIRC	Saudi Investment Recycling Company
SME	Small and Medium Enterprise
TOD	Transit Oriented Development
TSE-BU	Treated Sewage Effluent Business Unit
UN	United Nations
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNFCC	United Nations Framework Convention on Climate Change
UN-Habitat	United Nations Human Settlements Programme
UNISDR	United Nations International Strategy for Disaster Risk Reduction
USD	United States Dollar
VAT	Value Added Tax
VRP	Vision Realization Programs

EXECUTIVE SUMMARY

In 2016, a delegation from the Kingdom of Saudi Arabia attended the Habitat III conference in Quito, Ecuador. It was here that 167 countries gathered from around the world to deliberate and adopt the New Urban Agenda. The New Urban Agenda is the outcome document of the Habitat III conference. It is the guiding framework for how countries and cities should plan and manage urban development over the coming 20 years. It has been 5 years since this historic conference, and governments are now expected to report on the progress they have made towards implementing the New Urban Agenda. During these 5 years, the Kingdom of Saudi Arabia, guided by its Vision 2030 Framework, has undergone significant social and economic change, with urban transformation playing a prominent role. While it is impossible to document all the progress achieved in the Kingdom over this period, this report attempts to take stock of some of the more transformative changes that have contributed to the Kingdom's quest to promote sustainable urban development. In line with the Guidelines for Reporting on the Implementation of the New Urban Agenda, this report consists of key urban development indicators that provide measurable evidence of the Kingdom of Saudi Arabia's progress in implementing the New Urban Agenda and the Sustainable Development Goals. In addition, the report emphasizes the critical policy changes and high-profile initiatives that have made this progress possible. Finally, the report signifies the success stories of the Kingdom at the national, regional and local levels. The report is organized as follows.

Part I highlights the transformative commitments for sustainable urban development around the three themes of sustainable urban development for social inclusion, sustainable and inclusive urban prosperity and opportunities for all and environmentally sustainable and resilient urban development.

In terms of ***sustainable urban development for social inclusion***, the Kingdom of Saudi Arabia has demonstrated significant progress in the areas of social inclusion and ending poverty, access to adequate housing and access to basic services. Saudi Arabia has committed to upgrading existing programs and establishing new initiatives in the areas of social insurance, social safety nets and labor market support programs. Additionally, low-income households and other vulnerable groups are being provided with social protection services and opportunities to improve their standard of living. Saudi Arabia has also achieved near universal access when it comes to public services such as education, healthcare, electricity, water and sanitation. Efforts are also underway to introduce new technologies for more efficient and effective service delivery as well as to shift towards more sustainable and cost-effective models. To accommodate its growing population, Saudi Arabia has made housing a long-term priority of the Kingdom. Between 2017 and 2019, the percentage of owned housing units increased from 59.9 to 62 percent and is on track to reach the Vision 2030 target of 70 percent by 2030. To improve access to housing, the government has also been focused on introducing new financing modalities for the building and purchasing of homes as well as construction efforts to secure that enough units are being produced.

When it comes to ***sustainable and inclusive urban prosperity and opportunities for all***, the Kingdom of Saudi Arabia has been undertaking synchronized economic and financial reforms to improve the business environment and promote economic growth in the Kingdom. This includes projects around launching and developing promising economic sectors, establishing an enabling environment aimed at maximizing the role of the private sector and SMEs, and enhancing the sustainability of public finances. Between 2017 and 2020, the percentage of relative contribution of small and medium enterprises to GDP rose from 21 to 28.75 percent

and is expected to reach the Vision 2030 target of 35 percent ahead of schedule. In addition to this, labor force participation rates have been on the rise, while unemployment levels have been on the decline. This is particularly noticeable among important sub-groups such as females and youth. All of this has been bolstered by efforts to reduce barriers when it comes to doing business and to equip the population with the skills needed to succeed in the future.

Another area where significant progress has been achieved is in terms of **environmentally sustainable and resilient urban development**. The Kingdom of Saudi Arabia has committed to building the concepts of resilience, mitigation and adaptation into the planning and management of its cities and villages. Evidence of this can be seen in several new initiatives built on reducing the reliance on non-renewable energy sources, building green infrastructure, increasing the amount of green space and promoting sustainable urban form. Between 2017 and 2020, for example, the proportion of land under protected natural areas increased from 4.56 to 16.21 percent. Additionally, Riyadh which is leading the way in sustainable development solutions, is currently in the process of planting more than 7.5 million trees across the city and increasing the amount of green space per capita from 1.7 to 28 square meters. While environmental threats are one of the most troubling challenges of our time, the Kingdom of Saudi Arabia remains committed to safeguarding its precious ecosystems and natural habitats for future generations to come.

Initiatives highlighted in Part I range from increasing public participation in important decision-making processes (Your Voice is Heard) to promoting a more compact urban form through urban infill initiatives (White Land Law) and making cities more attractive and livable (King Salman Park, Sports Boulevard and Riyadh Art). In addition to this, several 'Giga Projects' highlight how the Kingdom of Saudi Arabia is reinventing the way it views urban and sustainable development (Neom, Red Sea and Diriyah Gate among others).

Part II focuses on effective implementation, which discusses the measures put in place to create an enabling environment for the implementation of the New Urban Agenda and for the Kingdom to promote sustainable urban development.

In terms of building an urban governance structure, the Kingdom of Saudi Arabia has been undertaking structural reforms to shift away from a previously centralized planning system to a multilevel planning system. This has involved a process of decentralization and the delegation of authority to existing and newly established entities. The four main tracks of decentralization include Municipalities and Amanahs, Development Authorities, Royal Commissions and Special Purpose Zones; each of which are tasked with their own responsibilities and corresponding delegation of authority.

When it comes to planning and managing urban spatial development, in recent years greater emphasis has been placed on optimizing spatial arrangements. While historically, the National Spatial Strategy emphasized balanced spatial development, to align with the ambitions set out in Vision 2030 current emphasis is being placed on creating a smart spatial structure that fosters the competitive advantages of different regions and places importance on sustainable modes of urban management. Along these lines, new forms of planning, including planned urban extensions, urban infill strategies and urban regeneration approaches are being introduced. Innovative tools, such as the White Land Law, are being applied to promote more compact and sustainable forms of urban development.

In terms of *means of implementation* – which includes mobilization of financial resources, capacity development and information, technology and innovation – the Kingdom of Saudi Arabia is laying the groundwork to build an enabling environment to implement the planning approaches outlined in the New Urban Agenda. While financial allocations were previously decided upon at the central level, alongside decentralization efforts, alternative tools are being explored for local revenue generation opportunities. In addition to this, the privatization program that is part of Vision 2030 has begun to identify government assets and services that can be privatized. The municipal sector presents multiple examples for privatization including transportation and waste management among others. When it comes to planning, it is clear that the business-as-usual approach is no longer accepted and instead new principles, approaches and innovations to sustainable urban development are required. Significant efforts are therefore underway to train local planners and bolster their capacities in innovative ways. This includes efforts to promote evidence-based decision as was introduced as part of the Future Saudi Cities Program, training programs to introduce new approaches to sustainable urban development through international partnerships as is the case with UN-Habitat and UNDP and the establishment of new planning curriculums to equip future graduates with the skills needed to deal with the challenges of the future. To support all of this, Vision 2030 is advancing a digital transformation, where the use of new forms of real time and big data and the application of new platforms are being used to shape planning processes. The Saudi Data and AI Authority (SDAIA), for example, is helping to advance the national data and AI agenda to deliver on the promise to create a data-driven and AI-supported government and economy.

Initiatives highlighted in Part II include processes of decentralization (empowerment of municipalities), development of local authorities' capacities (training program for developing future leaders) and the application of new approaches to digital transformation (Balady, SDAIA, etc.) among others.

Part III outlines the processes for follow-up and review, including the measures that are being put in place to continue to track progress over the coming 4 years; this is when the next progress report is due. Efforts include putting in place a system to continue monitoring and reporting on the New Urban Agenda indicators and addressing data shortfalls and challenges.

In summary, the Kingdom of Saudi Arabia has undergone one of the world's most ambitious urban transformations. This includes increasing the supply of housing for all socioeconomic groups, expanding access to basic services to achieve near universal coverage, elevating the quality of life for all by building more public spaces and expanding multi-modal transportation options and ultimately efforts to humanize Saudi cities. In addition, significant efforts have been made to protect the natural habitat and put in place measures to ensure that future urban development does not occur at the expense of existing ecosystems nor take away from future generations. The COVID-19 Pandemic was a significant setback for countries around the world, undermining important progress that had been achieved and increasing inequalities within and between countries. The Kingdom of Saudi Arabia was quick to respond to this, including putting in place provisions to support its various sectors and ensuring that the people were protected against the devastating social, economic and health implications of the virus. While considerable progress has been made, there is still much to be done. Therefore, the Kingdom of Saudi Arabia pledges to continue its commitment towards building a more sustainable urban future as outlined in this report.

PREPARING THE REPORT

As suggested by the United Nations Habitat III Secretariat, Member States are requested to carry out follow-up reviews of the New Urban Agenda (NUA) in order to track progress, assess impact, and ensure the agendas effective and timely implementation. These reports are to serve as a basis for qualitative and quantitative analysis of the progress made in the implementation of the New Urban Agenda and internationally agreed goals and targets relevant to sustainable urbanization and human settlements. According to the Guidelines for the Preparation of the Report on the Implementation of the New Urban Agenda, there is no singular process for preparing these reports, and instead Member States are permitted to undergo their own process or approach to completing the report.

This section outlines key aspects of the process constituting the preparation of the Kingdom of Saudi Arabia's report and its submission.

ASSEMBLING THE TEAM

In the context of the Kingdom of Saudi Arabia, the urban transformation that is currently underway is the result of collective action. While the Ministry of Municipal, Rural Affairs and Housing (MoMRAH) is the central governmental organization entrusted with the oversight and regulation of municipalities across the country's cities and villages and is the key focal point of Saudi Arabia to the Habitat III process, many other urban actors directly contribute to the urban development of the Kingdom – public, private and civil society entities. While some of these actors are responsible for delivering flagship projects that contribute towards the implementation of the New Urban Agenda and building more livable cities and villages throughout the Kingdom, others are responsible for tracking the progress being made in the Kingdom. To document the transformation that is taking place in the Kingdom in a comprehensive and inclusive way, efforts have been made to bring together partners in the field of urban development and to provide a platform to document their experiences and weigh in on the contents of the report.

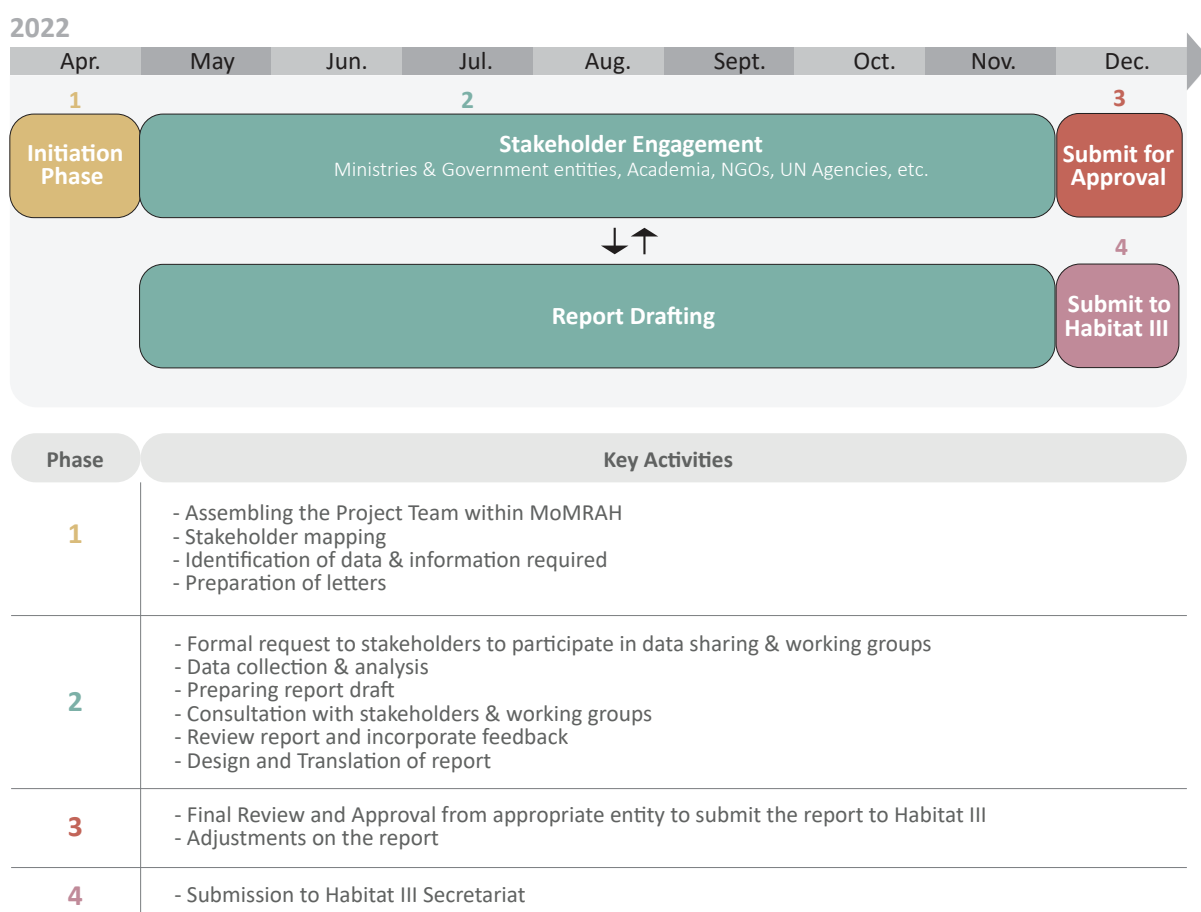
The preparation of this report should therefore be viewed as a collective effort among a diverse group of urban development stakeholders. This includes but is not limited to:

- National, Regional & Local Governments
- Civil Society & Non-Profit Organizations
- Private Sector
- Academic Institutions
- External Support Agencies
- International Agencies

REPORTING TIMELINE

According to the reporting guidelines, reports are expected to be prepared every 4 years, with the first set of national reports due March 31, 2021. Due to the unexpected emergence of the COVID-19 virus that was first detected in December 2019 and the subsequent global lockdown that took place from February 2020 and continued well into 2022, many countries were delayed in their submissions. Consequently, the Kingdom of Saudi Arabia has committed to submit their report to the Habitat III Secretariat in 2022. The following timeline reflects the process of preparing and submitting the Kingdom of Saudi Arabia's Report on the Implementation of the New Urban Agenda.

Figure 1. Preparatory Process for the Report on the Implementation of the New Urban Agenda



REPORTING METHODOLOGY

To facilitate the preparation of the Kingdom of Saudi Arabia’s Report on the Implementation of the New Urban Agenda, a participatory process was organized to ensure that relevant urban development stakeholders were availed an opportunity to weigh in on the process and to ensure that the necessary quantitative and qualitative data and materials were collected. The Ministry of Municipal, Rural Affairs and Housing was responsible for initiating this process.

The process commenced with the initial approvals within the Ministry, followed by preliminary work in data collection as well as the preparation of a stakeholder engagement process. The report guidelines and metadata indicators were initially used to structure the report and identify the data and materials that were required. From here the relevant urban development stakeholders that pertain to each thematic area of the report and metadata indicators were identified. To facilitate the collection of the material and to provide an opportunity for relevant urban development stakeholders to weigh in on the process a reporting methodology was prepared. This process was supported by the local UN-Habitat Country Team, who was familiar with the contents of the New Urban Agenda and the required information.

The methodology involved the preparation of several working groups organized around important stakeholder categories. This included the following stakeholders:

- Ministry of Municipal, Rural Affairs and Housing (included representatives from key departments within the Ministry related to the themes of the report)
- Government Stakeholders (included representatives from the appropriate ministries and from national, regional and local governments)
- Non-Government Stakeholders (included representatives from civil society, academia, foundations and the private sector)

The working group sessions were organized to inform the various stakeholders on the details of the reporting process and how they could contribute; this included a background overview of the Habitat III Conference, the importance and function of the New Urban Agenda and the overall reporting responsibilities of each country. Following the initial working group sessions, the different stakeholders were provided with templates for them to submit inputs related to the specific thematic areas and indicators in the report that were associated with their mandates. An example of the templates can be found below.

Figure 2. Example Template for collecting relevant data and materials pertaining to thematic areas and indicators in the report

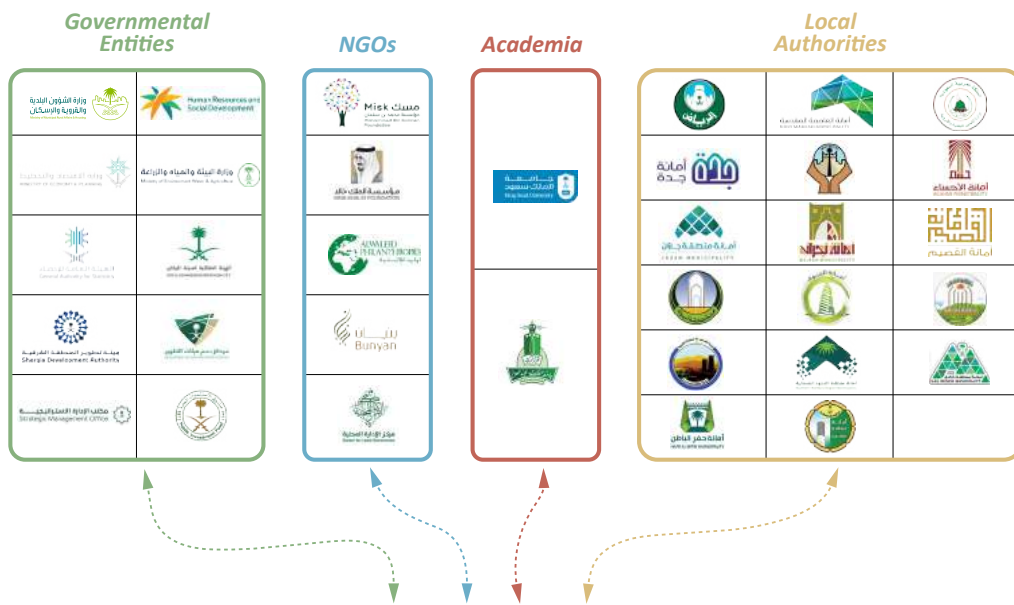
<i>Indicator 27</i>	GREEN AREA PER CAPITA (or similar indicators)				
<i>Indicator Definition</i>	Total green area (m2) within the city per inhabitant. Green areas are defined as public and private areas that have flora such as plants, trees and grass (e.g. forests, parks, gardens). These are undeveloped areas i.e. has no permanent buildings or built structures, partly/completely covered with grass, shrubs, trees or other vegetation irrespective of size and function. They are both private and public green areas and include green spaces such as gardens, parks, urban forests, cemeteries, and blue spaces such as ponds, lakes, streams, artificial swales or wetlands.				
<i>Is this indicator available?</i>	Yes		No		
<i>If no, please describe an alternative indicator (most similar)</i>					
<i>Please fill indicator by year</i>	2017	2018	2019	2020	2021
<i>Please provide a list or description of policies, initiatives, projects or success stories related to the indicator (300-600 words).</i>	<p>Policies:</p> <p>Initiatives/Projects:</p> <p>Success Stories:</p>				
<i>Please provide photos, graphs, diagrams, maps, or any supporting materials</i>					
<i>Please describe the connection to KSA Vision 2030 (150-200 words).</i>					
<i>Additional Comments or notes</i>					

Following the collection of the data and material, a reporting team consisting of members from the Deputyship of Urban Planning and Lands at MoMRAH and UN-Habitat began organizing the structure and contents of the report. Following a rigorous drafting period, and before sharing

an internal draft of the report with the external stakeholder groups for collective review and feedback, selected internal peer reviewers conducted an internal review within MoMRAH to ensure quality and consistency. Thereafter, a draft report was circulated among the different stakeholders for review and feedback. The final feedback round came in the form of a final working group session where all the stakeholders were invited to discuss the details of the report. Following a round of revisions, the report underwent translation and was submitted to the appropriate entity for final approval.

The following diagram provides a breakdown of the governance structure and highlights those stakeholder groups that have been actively involved in the process.

Figure 3. Governance Structure for the Preparation of the Report



Collaboration among stakeholders in the formulation of the report and providing inputs and feedback



Preparation of the report by MoMRAH in collaboration with partners in the field of urban development

Role of MoMRAH – MoMRAH is the Ministry responsible for urban development issues in the Kingdom and the focal point for all New Urban Agenda related matters. Subsequently, it has taken on the convening role for the preparation of the report, including assembling a team within the Deputyship of Urban Planning supported by UN-Habitat.

Role of the Working Groups – The Working Groups formed the core groups of stakeholders representing a diverse range of partners in the field of urban development. They played a vital role in formulating the report, including attending meetings, advising on content, sharing data and materials and providing feedback on drafts of the report. Their contributions were both advisory and technical in nature.

DATA & MATERIALS

The data and materials used for the preparation of this report come from various sources that have been catalogued in the references section of this report. In addition, efforts were made to provide quantitative and qualitative measures to enrich the narrative in the report.

Materials – Materials refer to the qualitative descriptions and background narratives related to the different policies, projects and initiatives taking place in the country. This also includes important success stories and lessons learned. The vast majority of the material that comprise the inputs of this report have been collected directly from the relevant stakeholders during the stakeholder engagement stage of the process. For the most part, this involved mapping out the different thematic areas of the report and identifying the entity that had a mandate or responsibility relevant to this theme. They were then requested to share relevant policies, projects and success stories related to these thematic areas. A template was provided to help facilitate this process in an efficient and methodical way. Additional supplementary materials have been provided through primary (ie. Annual Ministries and Commissions' Reports) and secondary reports (ie. alternative sources) where applicable. The Vision 2030 platform has proven to be a valuable resource for collecting narratives related to the priority projects that are taking place throughout the Kingdom and documenting the economic, social and environmental transformation as a whole.

Data – Data refers to quantitative indicators as a means of objectively measuring progress. Where available, the report includes metadata indicators from the list of indicators recommended in the NUA Monitoring Framework and Related Indicators document. Where such data is not available, supplementary indicators have been substituted in their place. The data collection process took place in a similar way to that of the materials section outlined above. Data collection templates were initially provided to the entities that were seen as caretakers/custodians of specific indicators in the country. This includes statistics providers, urban observatories and other data related entities. In addition to this, where indicators were specific to a particular stakeholder group, data templates were provided directly to the responsible entity. Anticipating the expectation that not all data would be readily available, the data collection templates included a specific section for the different urban development stakeholders to provide information on 'next best' indicators where the preferred indicator was not available.

COVID-19 RESPONSE

COVID-19 was first detected in the Kingdom of Saudi Arabia and confirmed by the Ministry of Health on March 2, 2020. To contain the spread of the virus and to limit the public health implications caused by the outbreak, the Kingdom of Saudi Arabia acted swiftly to put in place important provisions and to redirect the state's general budget to minimize the effects of the virus. Immediate measures included suspension of domestic and international travel, lockdowns/curfews on several administrative levels, increased testing and the creation of new initiatives to provide a social safety net for the population, particularly for vulnerable groups.

Although the COVID-19 Pandemic is largely viewed as a public health crisis, it also exposed existing vulnerabilities and revealed social and economic fault lines in cities and towns all over the world. For example, from a socio-economic perspective, the COVID-19 pandemic led to increased levels of unemployment and the loss of wages globally among many individuals and households. In terms of healthcare, many health systems were severely backlogged due to human and other resources having been redirected to deal with the immediate pressures of the rise in COVID-19 patients while many other illnesses and health related issues were temporarily put on hold. From an education perspective, online learning, which can hardly be viewed as a substitute for in-person learning, further increased educational divisions; this was further exacerbated by the divide among those with accessible and reliable internet connection. Due to the characteristics of the virus, the transmission rates in urban areas relative to less densely populated rural areas were also considerably higher.

To minimize the impact of the pandemic and the subsequent lockdown measures, authorities in the Kingdom of Saudi Arabia introduced a number of programs and initiatives to help its citizens and residents cope with the crisis. The following is an overview of a selection of key programs that were introduced to minimize the impact:

Healthcare – Since the beginning of the pandemic, the Ministry of Health made an effort to ensure the adequate supply of medical supplies and infrastructure, including trained staff, laboratory services and personal protection equipment. The Ministry of Health initially designated 25 hospitals, 80,000 hospital beds, including 8,000 intensive care unit beds for COVID-19 patients. As the pandemic continued, more facilities were added where supply was needed (ie. addition of a 100-bed field hospital in Makkah and another in Madinah). Impressively, the Tawakkalna App, which was a multiservice contact tracing app released by the Saudi Government, was awarded the United Nations Public Service Award 2022 for institutional resilience and innovation responses to the COVID-19 Pandemic.

Social Awareness – In the early days of the pandemic, the Ministry of Municipal, Rural Affairs and Housing launched a media campaign aimed at increasing community awareness and education on COVID-19 in order to improve the understanding of the dangers posed by the virus and how it is transmitted. This included targeted communication of precautionary measures to avoid the spread of the virus as well as to minimize the negative effects of the lockdown on the personal wellbeing of citizens and residents. Amanahs and Municipalities played a significant role in this process, putting in place the necessary protocols and inspection measures to ensure the safe operations of commercial activity and to minimize community spread.

Employment – Similar to other countries, the impact of the COVID-19 Pandemic had severe implications for Saudi Arabia’s economy, including a significant decline in oil revenues. Efforts to contain the spread of the virus also resulted in disruptions to economic activity. In the early days of the pandemic, the Human Resources Development Fund provided SAR 5.3 billion in financial support to sustain employment, provide training, offer support to new job seekers and subsidize wages in order to soften the impact. The government also authorized the use of unemployment insurance (SANED) to provide wage subsidies and support to private sector companies, while efforts were also made to ease restrictions on foreign workers mobility and their contractual arrangements.

Education – While children were removed from schools due to the high transmission rates of the virus, early efforts were put in place to ensure that students could continue their studies remotely through the simultaneous virtual school platform. In total 20 channels were launched to cater to the increase in educational needs. In addition to this, the Ministry of Education ensured the distribution of funding for students under the Saudi Scholar Program to take care of expenses such as living allowance, medical insurance and treatment. Additionally, through the Ministry of Communication & IT low-income students were provided with devices to allow them to complete distance learning; more than 25,000 laptops and tablets were provided.

Housing – To reduce the housing burden during the pandemic while continuing to make progress towards homeownership among citizens (as set out in the Vision 2030 targets), first time home buyers were exempted from having to pay the recently introduced Value Added Tax (VAT) on housing purchases. In addition to this, authorities have continued to deliver housing units to deserving families as part of pre-existing social housing initiatives.

Health & Nutrition – During the pandemic, the Saudi Food Bank (FEED), which is a non-profit food organization that ensures home deliveries of food rations to groups that are in need (particularly the elderly, disabled and low-income families) operated through the online platform. This portal enabled vulnerable groups to locate the services they need and place their orders online. Through coordinated efforts, authorities were able to overcome supply chain disruptions and ensure vulnerable groups were able to receive the food and sustenance that they needed.

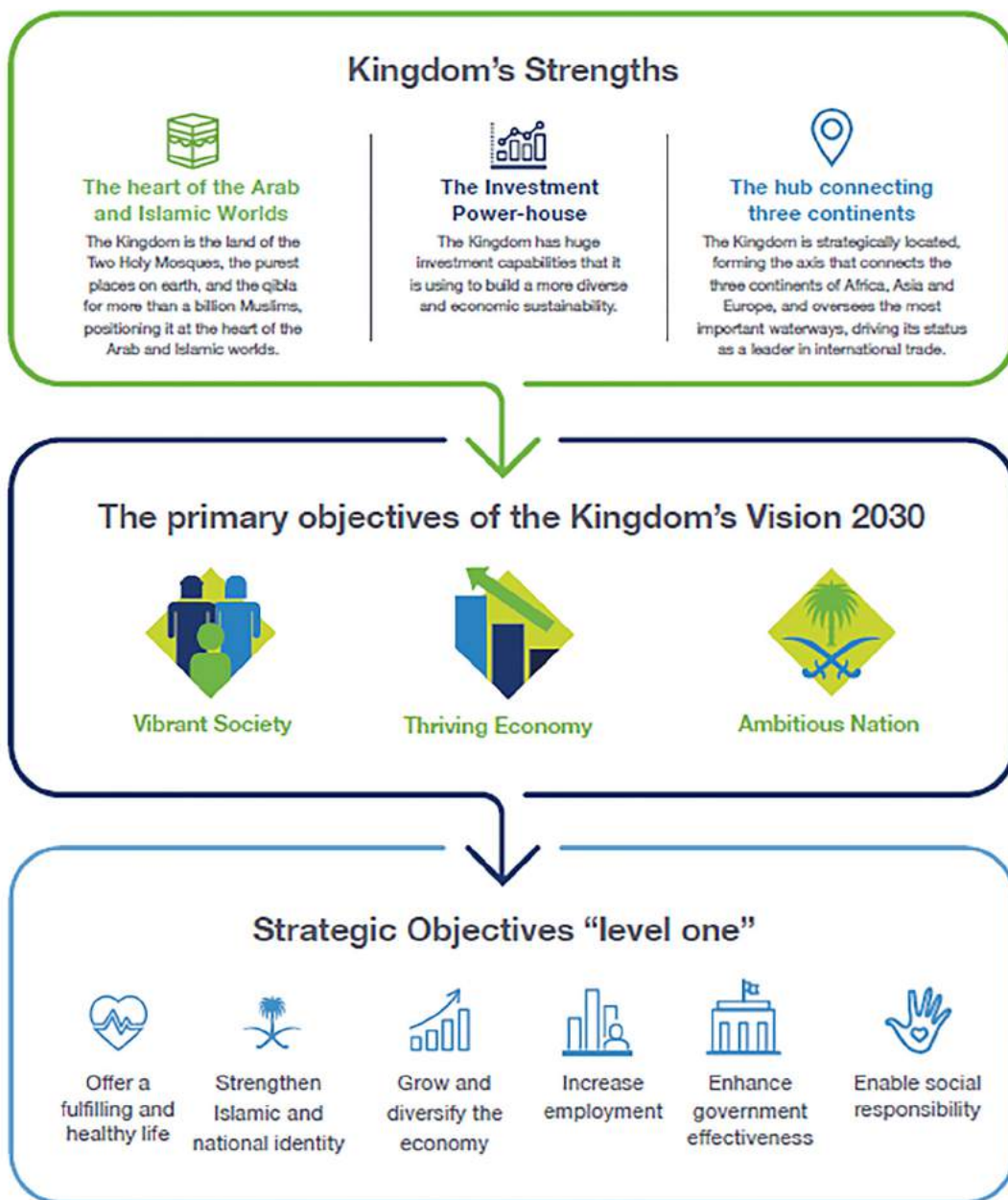
The Kingdom of Saudi Arabia, with the combined efforts of health institutions, has ranked second globally in the Nikkei Index for recovering from the effects of the CoVID-19 pandemic.

Source: Strategic Management Office (SMO)

Comparatively speaking, Saudi Arabia has fared quite well when it comes to the public health and socio-economic impact of the virus and the lockdown measures. This can be attributed to the proactive and preventative measures put in place by the government. As of writing, approximately 815 thousand people in the Kingdom of Saudi Arabia have been infected by the COVID-19 virus according to data by the Ministry of Health. With more than 72% of the population now fully vaccinated against the virus, lockdown restrictions and social distancing measures are being carefully dismantled, there is the feeling that the country is beginning to return to a sense of normalcy. Although transmission rates are now on the decline, major efforts are still required to support different sectors (ie. health, education, tourism, etc.) to return to their pre-COVID levels. Acknowledging that the COVID-19 pandemic exposed certain vulnerabilities in society, efforts are underway to build back better and to put new mechanisms in place to limit the fallout from unexpected crises and disasters in the future.

The Kingdom's Vision 2030

The Kingdom's Vision 2030 is a comprehensive national development plan that is transforming the Kingdom of Saudi Arabia. The Vision is being delivered by empowering citizens, investing in the future, and creating a diverse, prosperous and sustainable economy to enrich the lives of citizens.



Source: Vision 2030 Achievements 2016 – 2020 Report

Saudi Vision 2030 Realization Programs

To achieve the strategic goals and targets of Vision 2030, eleven programs, referred to as Vision Realization Programs (VRP) were established in accordance with vision objectives, in order to ensure their efficiency and responsiveness to change.

	Fiscal Sustainability Program – The program aims to improve government performance through spending efficiency, revenue growth and risk management.
	Financial Sector Development Program – The program aims to develop a diversified and effective financial sector to support the development of the national economy, diversify its sources of income, and stimulate savings, finance and investment.
	Health Sector Transformation Program – The program aims to restructure the health sector in the Kingdom to be a comprehensive, effective and integrated health system that is based on the health of the individual and society and depends on the principle of value-based care.
	Housing Program – The Housing Program provides housing solutions that meet the needs and aspirations of Saudi families, with a focus on sustainability and technology.
	Human Capability Development Program – The Program aims to prepare citizens for the job market and to be able to compete globally. It does this through developing basic and future skills, developing knowledge and values that enhance the 21st century and global citizenship skills.
	National Industrial Development and Logistics Program – This program focuses on transforming Saudi Arabia into an industrial powerhouse and a global logistics hub by leveraging the resources of sectors like mining and energy and unlocking the full potential of local content and the 4th industrial revolution.
	National Transformation Program – The Program aims to achieve governmental operational excellence, improve economic enablers, and enhance living standards by accelerating the implementation of primary and digital infrastructure, and engaging stakeholders.
	Pilgrim Experience Program – This program aims to enrich and deepen the Hajj and Umrah experience through the provision of services at all stages of their journey.
	Privatization Program – The Program aims to strengthen the role of the private sector by unlocking state-owned assets for investment. The program emphasizes the integrity of procedures to provide an attractive regulatory and investment climate that encourages private sector investment in the short to long term.
	Public Investment Fund Program – The Public Investment Fund drives economic diversification in the Kingdom through strategic international and domestic investment.
	Quality of Life Program – The program aims to improve lifestyles by developing an ecosystem to boost citizen's and resident's participation in cultural, entertainment, and sports activities and seeks to have three Saudi cities listed in the top 100 cities in the world.

Source: Vision 2030 Achievements 2016 – 2020 Report

GENERAL INFORMATION ABOUT THE KINGDOM OF SAUDI ARABIA



Flag of the Kingdom



National Emblem



Official Map of the Kingdom of Saudi Arabia

Location | The Kingdom of Saudi Arabia lies at the furthest part of southwestern Asia. It is bordered by the Arabian Gulf, United Arab Emirates and Qatar in the east; Red Sea in the west; Kuwait, Iraq and Jordan in the north; Yemen and Oman in the south.

Climate | The climate of Saudi Arabia varies from one region to another because of its diverse topographical features. As a result of a subtropical high-pressure system, the Kingdom is generally hot in summer and cold in winter where rains fall often. Moderate climate is seen in the west and the southwestern part of the Kingdom; dry hot summer and cold winter in the interior parts; and high temperature and humidity in the coastal areas.

Source: stats.gov.sa



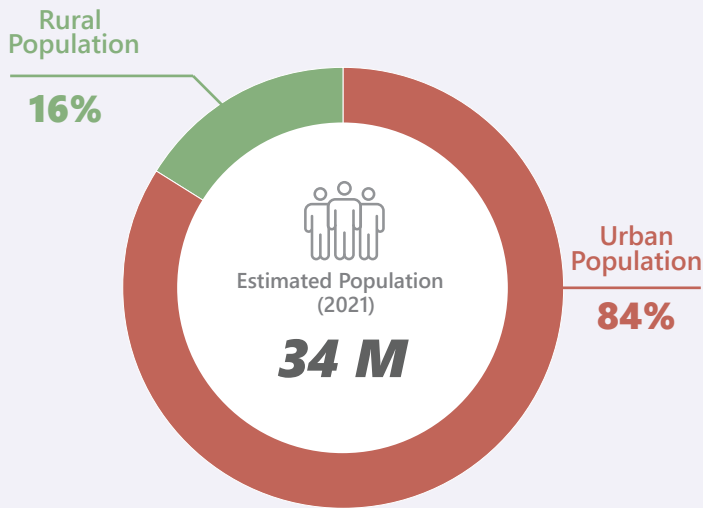
AREA:
≈ 2M km²

Source: stats.gov.sa

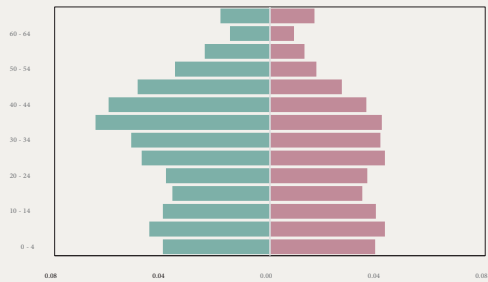
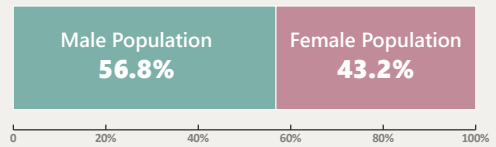
CAPITAL CITY:
RIYADH

ADMINISTRATIVE DIVISIONS:
13 Provinces

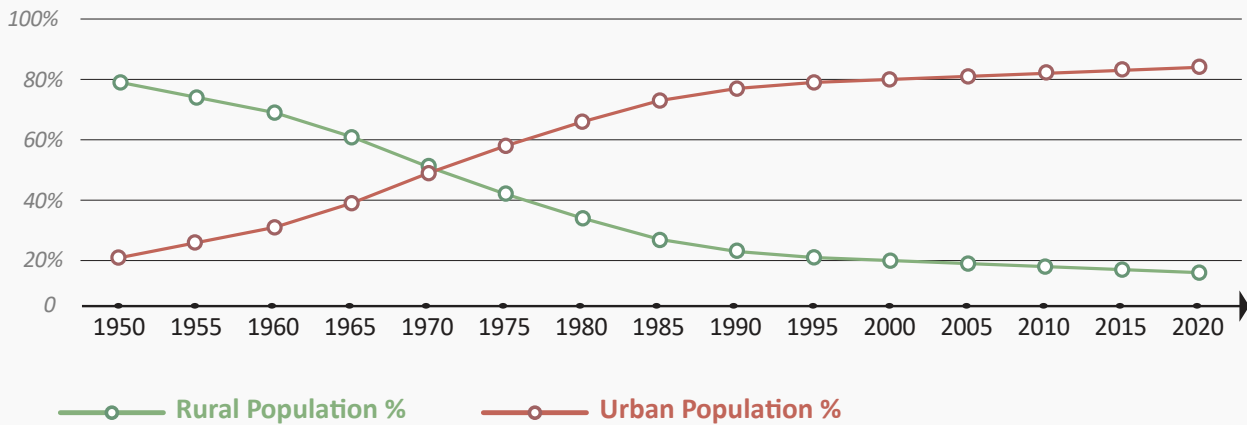
Source: moi.gov.sa



Source: stats.gov.sa



Source: stats.gov.sa



Source: United Nations, 2018.

Note: In some tables, totals were rounded independently. Thus sums of the individual figures may differ slightly from the totals shown.



***PART 1:
TRANSFORMATIVE COMMITMENTS FOR
SUSTAINABLE URBAN DEVELOPMENT***



1.1
**SUSTAINABLE URBAN DEVELOPMENT
FOR SOCIAL INCLUSION & ENDING POVERTY**

1.1.1 SOCIAL INCLUSION & ENDING POVERTY



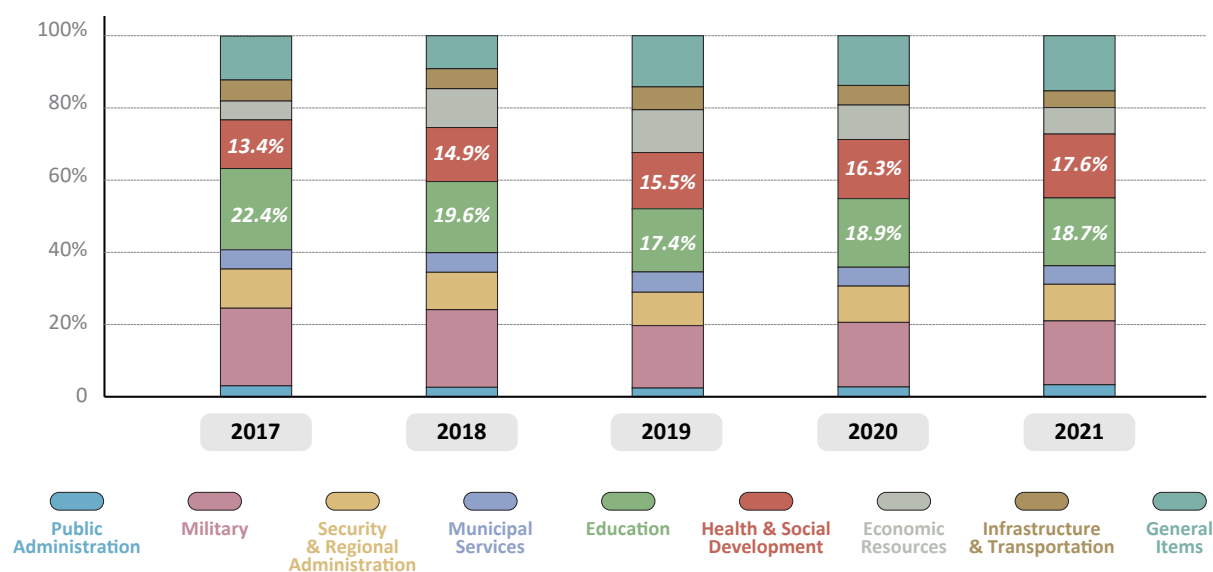
Saudi Arabia is undergoing an immense transformation. Alongside improvements in social and economic development in recent years, significant efforts have also been underway to improve living conditions and quality of life for all. In the process, Saudi Arabia has achieved near universal access to public services such as education, healthcare, electricity, water and sanitation and in addition to this, low-income households and other vulnerable groups are being provided with social protection services and opportunities to improve their standard of living. This section provides an overview of the progress that has been made in the Kingdom in recent years as well as the key initiatives being put in place to eradicate poverty, reduce inequality and to achieve social inclusion for all.

ERADICATE POVERTY IN ALL ITS FORMS

As Saudi Arabia positions itself for the future, it understands the importance of not just building a thriving society, but also a society that upholds important principles such as social cohesion, inclusion and taking care of those in need. This features prominently within the Vision 2030 strategy which aims to empower citizens through welfare and social development systems, ensure development and food security, and foster values of equity and transparency among others. To achieve this, Saudi Arabia is committed to establishing and upgrading social services to become more accessible and equitable. This is not only done through established government programs, but through a growing civil society that embodies the multiplicity of interests and perspectives of those that comprise Saudi Arabia's diverse society. Efforts are underway to create an ecosystem of enablement where the public sector, the private sector and the third sector of civil society can work together to advance the future of the country.

In recent years, the Kingdom of Saudi Arabia has made considerable progress in ensuring a balanced distribution of public services among its population. Access to basic services such as electricity, clean water and sanitation services have helped to level the playing field by ensuring that all residents of the Kingdom have the essential services to meet their daily needs. In addition, improving access to education, healthcare and employment services have ensured that no Saudi citizen is left behind. Evidence of this can be seen in Figure 4, which illustrates the budget allocation for public services such as education, health and social development. Such services consistently account for a sizeable portion of the total government budget – approximately 35 percent between 2017 and 2021.

Figure 4. Percentage of approved budget by sector, 2017-2021



Source: Ministry of Finance Budget Performance Report, various years

Despite this, there are always circumstances where individuals and households require additional support. For this, Saudi Arabia has been creating new opportunities within its social protection system. The initiatives and programs that have been developed are organized across the following three categories:

- Social Insurance Programs – Includes a variety of initiatives ranging from cooperative health insurance to the retirement pension system and unemployment insurance
- Social Safety Nets – Includes a range of government subsidies (such as food, fuel, electricity and water) as well as programs around citizen accounts, housing support, education, shelter and welfare for persons with special needs
- Labor Market Support Programs – Includes wage protection and job seekers employment support programs

In addition, new opportunities are being created for individuals to engage in volunteer, not-for-profit and charitable work as a means of giving back to society and creating a sense of pride and fulfillment among the Saudi people. While Saudi Arabia has worked extensively to eradicate poverty and improve the lives of the most vulnerable groups, the following highlights several examples of core programs that have recently been launched to support vulnerable groups in society.

Saudi Arabia ranked 1st in the Arab world and the 21st worldwide in the happiness index recorded in 2020, as the index witnessed a noticeable improvement in its ranking. It has increased by 16 ranks since the beginning of Vision 2030.

Source: Kingdom of Saudi Arabia's Vision 2030



Citizen Account Program – The Citizen Account Program is a program that provides financial support to low- and middle-income Saudi households with the aim of alleviating their burdens and ensuring a better quality of life. Previous forms of subsidies were provided universally, meaning that all consumers, including high- and low-income earners alike, were provided with the benefits. This, however, led to the overconsumption of some of the subsidized products. The renewed Citizen Account Program therefore aims to direct subsidies to eligible beneficiaries in order to promote a level playing field by ensuring that subsidies are offered in a just manner. The objectives of the program include encouraging households to conserve on consumption of basic goods (gasoline, electricity, etc.), raising efficiency of government subsidies, and alleviating impacts of economic reforms on low- and middle-income households. Under this program, subsidies are offered in the form of cash payments deposited to beneficiary's accounts. Research shows that cash payments are a preferred method for providing support, as they direct the decision-making power to the individual, who is often considered the best suited to make informed decisions about their everyday needs. Additionally, they are also seen as more likely to save for the future. As of April 2022, there were 10.3 million beneficiaries/followers, while the total amount that the program has paid to the beneficiaries since its inception is more than SAR 116 billion.¹



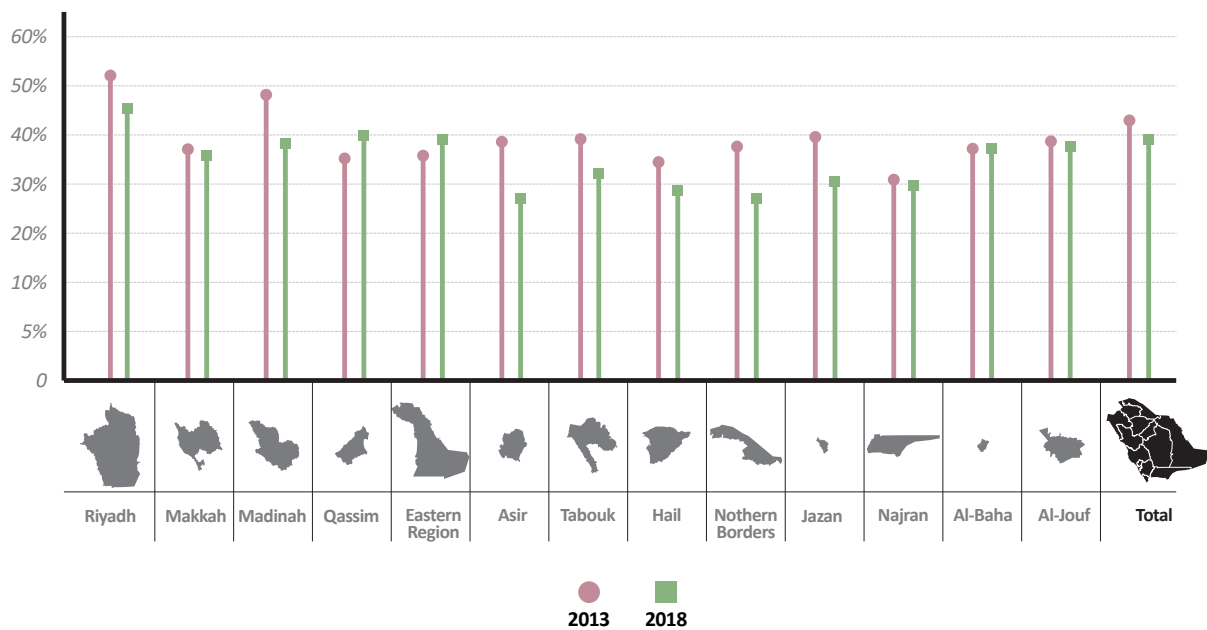
Social Security (Daman) – This program operates as a guaranteed minimum income scheme, in which low-income groups are provided with financial support to cover their basic needs and ensure a decent living standard. The program targets marginalized groups such as widows, divorced, separated, and those with disabilities. Recent developments in the program have qualified individuals based on their socioeconomic status, which now includes those who are retired or have salaries less than SAR 4,000. Funds for this program are raised through Zakat and allocated on a monthly basis. The program also seeks to equip individuals with specialized training and qualifications so as to enable them to obtain financial independence and transition them from individuals in need to productive members of society.²



Your Voice Is Heard – As a means to ensure freedom of participation and to provide an opportunity for individuals to weigh in on important issues, the government created the ‘Your Voice Is Heard’ service. The portal, which was set up by the Ministry of Human Resources and Social Development, allows for the general public including experts, stakeholder groups and those with a direct interest in a topic to communicate with the government by sharing their ideas via a variety of social media platforms which are integrated into their electronic portal (comments, evaluations, direct communication, blogs, opinion polls, and directed questionnaires). Through the ‘Your Voice is Heard’ service, all citizens, residents and entities alike are invited to share their visions and experiences for building a better Saudi Arabia.³

REDUCE INEQUALITY IN URBAN AREAS BY PROMOTING EQUALLY SHARED OPPORTUNITIES & BENEFITS

Today, change occurs at breakneck speeds. While this has led to incredible transformations in society (social, economic, technological), it has also meant that those groups that are less capable of keeping up with these changes are at risk of being left behind. Consequently, there is a risk that society becomes more stratified. This is particularly the case among the growing technological divide, which is causing large disparities among generations, between the rich and the poor, as well as among those equipped with the skills that will be most valued in the future at the expense of those with the skills of the past. The recent COVID-19 pandemic, for example, revealed significant fault lines between those that were able to easily pivot towards working remotely, while others were left unable to do so. Similarly, with schools being closed due to high transmission rates, some families were more easily able to adapt to online learning for their children, while others were not. While inequality has been on the decline in Saudi Arabia in recent years, there is still work to be done. Figure 5, which illustrates the Gini coefficient by region for Saudi households in 2013 and 2018, shows that the level of inequality has decreased in most regions of the Kingdom, however, in some it has become more pronounced. Reducing inequalities therefore remains an important commitment under Saudi Arabia’s Vision 2030 framework.

Figure 5. Gini Coefficient of Saudi Households Expenditure by Region, 2013 and 2018

Source. Household Income and Expenditure Survey, GASTAT, 2018.

Note. 0 refers to perfect equality, while 100 refers to perfect inequality.

Sustained social and economic development is an important aspiration for the Kingdom of Saudi Arabia. Progress in this area, however, cannot be deemed a success unless the opportunities and benefits are felt equally across society. The Kingdom of Saudi Arabia has been working hard to address these disparities by identifying the social and economic inequalities that currently exist in society and putting in place programs and initiatives to protect those being left behind. The following are examples of some of the programs that are currently in place to help to overcome social, economic and spatial inequalities.



Human Capability Development Program – The Human Capability Development Program is a new initiative under the Vision 2030 Framework. It was created to ensure that Saudi citizens are equipped to participate effectively in local economic, social and cultural developments and to position them to compete in the global labor market. To do so, the initiative focuses on building future skills and capabilities and enhancing the knowledge of Saudis in several acknowledged areas. This includes fostering values such as discipline, mastery, hard-work, resilience, innovation and also creating a sense of pride and national cohesion including upholding the Arabic language. For those starting at a young age, the program focuses on developing a sound educational base. Whereas for older age groups, the focus is on upskilling citizens by providing lifelong learning opportunities, supporting innovation and activating policies and enablers to safeguard the Kingdoms future competitiveness. Currently, more than 3,700 professional development programs have been provided for more than 420,000 educational professionals. By 2025, the program aims to have 40 percent of children enrolled in kindergarten, 6 Saudi universities ranked within the top 200, to rank 45th in the World Banks Human Capital Index and increase by 40 percent Saudization in highly skilled jobs.⁴ As a testament to the progress being made, in 2022 the Saudi Science and Engineering Team won 22 international awards at the International Science and Engineering Fair including the best project award.



Equal Opportunity Grants Program – The Equal Opportunity Grants Program was developed by the King Khalid Foundation to provide financial grants to non-profit organizations, enabling them to implement development projects aimed at improving the lives of underprivileged groups. Target groups include low-income families, individuals with special needs, the unemployed, as well as widows and divorcees. The primary aim of the grants is to help prepare individuals for employment by equipping them with the skills and tools they need to succeed in the job market so that they are able to improve their standard of living. The grants themselves covered a range of professional areas and are available to charities, social development committees, startups and training centers. In 2019, the King Khalid Foundation offered 15 equal opportunity grants worth a total of 3.8 million riyals, allowing 256 individuals to find employment or other sources of income and transforming them into productive members of society. To date, the project has been deployed across the Kingdom, covering areas from Riyadh to Makkah, Hail, the Eastern Province and Jizan.⁵

To encourage the growth of initiatives in the non-profit sector, the “National Award for Voluntary Work” was launched in its first session during 2021, with the participation of 260 entities, diversified between: governmental, private, charitable, and educational agencies, and voluntary teams.

Source: Kingdom of Saudi Arabia's Vision 2030



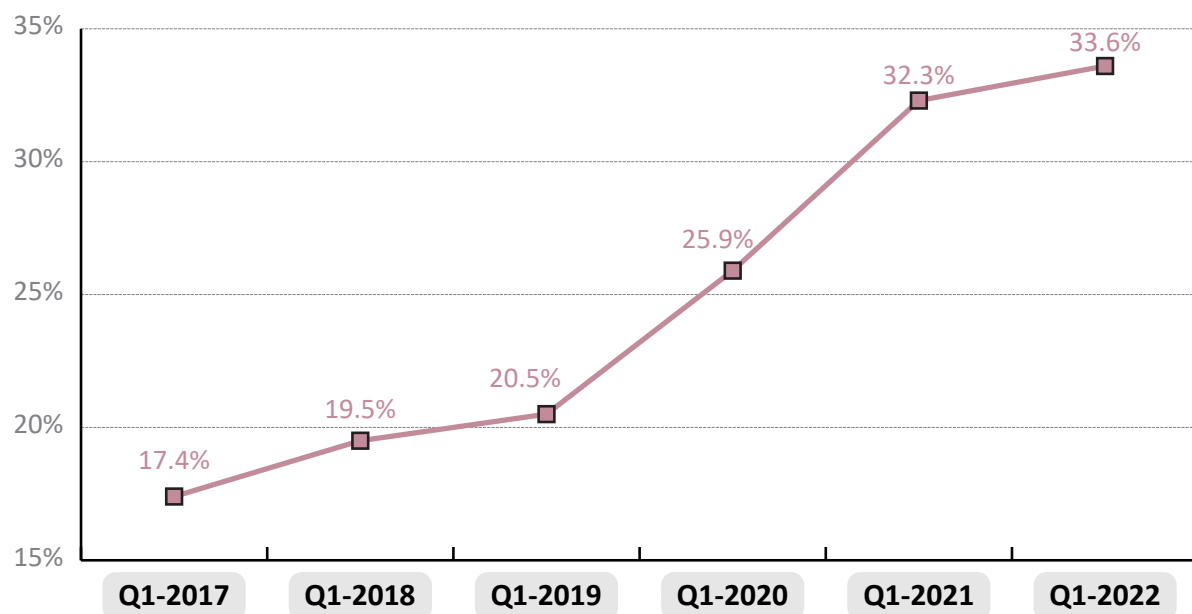
Quality of Life Program – The Quality of Life program was launched in 2018 and aims to improve the lifestyle and quality of life of residents and visitors to the Kingdom by creating an environment that bolsters citizen participation in cultural, entertainment, sports, tourism and urban activities. In doing so, the program seeks to diversify entertainment opportunities in the Kingdom. Recent highlights include inaugurating the Kingdom's first cinema and hosting international events such as the Dakar Rally. In addition, the program also contributes to establishing a number of cultural museums and music festivals. The program also focuses on bolstering the tourism sector and is responsible for the creation of the tourism visa scheme and increasing the number of cultural sites registered on the UNESCO World Heritage List to strengthen the Kingdom's position as a global tourist destination. The Quality of Life Program has also been working closely with the municipal sector, establishing initiatives to improve the urban landscape beautification, city humanization, and city services enhancement. Through the Quality of Life Program, Saudi Arabia is working to improve Saudi cities rankings to be among the most livable cities in the world.⁶

ACHIEVE SOCIAL INCLUSION OF VULNERABLE GROUPS

One of the areas where the Kingdom is particularly proud of the progress that has been made is in the area of gender equality and female empowerment. Historically, women faced challenges when it came to achieving full participation in certain aspects of everyday life. To advance gender equality, reforms were established in the Kingdom that encouraged women's participation in social and economic development. While historically the labor force offered fewer opportunities for females, significant reforms have been made to increase women's participation in the labor market. This includes establishing an equal age for males and females to enter the labor force, preventing gender disparities (in wages, occupations, professions, and working hours) and allowing women to incorporate and engage in commercial activities without having to seek prior consent. In addition to this, the Ministry of Human Resources and Social Development is establishing several programs to increase employment rates and integrate Saudi women into the national labor market by providing appropriate job opportunities and improving the work environment and conditions to suit their needs. Another step towards bridging the gap between both genders was the royal decree in September 2017, which granted females the right to drive and obtain a driver's license for the first time.

Figure 6, which depicts Saudi female labor force participation rates, provides clear evidence that the reforms have been effective. Between 2017 and 2022, female participation rates in the labor force rose from 17.4 percent to 33.6 percent. Similarly, between 2016 and 2019, the number of higher education female graduates increased from 116,371 to 129,778.⁷ Such progress is leading to greater autonomy among young women.

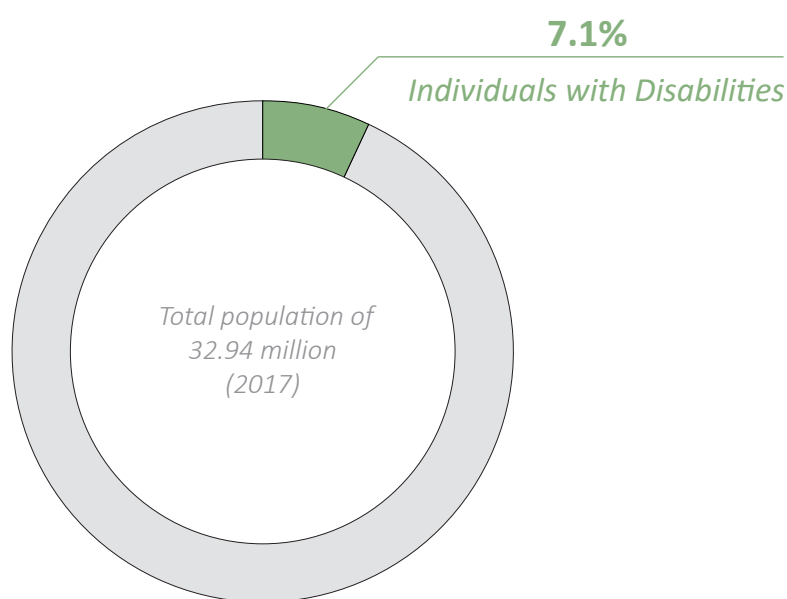
Figure 6. Saudi Female Labor Force Participation Rates, 2017-2022



Source: Labor Market Indicators, GASTAT, Q1 2022

In addition to this, there are several other areas where the Kingdom of Saudi Arabia has been promoting greater social inclusion and autonomy among vulnerable groups in society. One of the key areas worth mentioning includes the integration of people with disabilities in the labor market. According to data from the Authority for the Care of People with Disabilities, in 2017, approximately 7.1 percent of Saudi Arabia's population was dealing with a disability (Figure 7). While every day, individuals overcome their disabilities and manage to live productive and meaningful lives, systemic barriers and a lack of awareness often hinder greater inclusion. To overcome this, the government has established several initiatives to eliminate barriers for those living with disabilities.

Figure 7. Percentage of individuals with disabilities out of the total population, 2017



Source: The Authority for the Care of People with Disabilities, 2022

The following are some examples of initiatives and programs that have been put in place to advance social inclusion and improve living conditions for vulnerable and marginalized groups throughout the Kingdom.



Children's Hospitality Centers Program (Qurrah Program) – In order to encourage more Saudi women to enter the workforce, the Qurrah Program was established to assist Saudi women in balancing their household responsibilities and family duties. The program itself helps to link parents searching for childcare with suitable children hospitality centers. During 2019, the number of female beneficiaries of the program reached 2,514, while the number of child beneficiaries reached 2,893 children. The number of approved centers reached 207 at this time. In line with this initiative, a national plan was launched by Human Resources Development to enhance the childcare system to provide high-quality childcare facilities at an affordable price to help support families and employed women in Saudi Arabia.⁸



Program for the Transport of Working Women (Wusool) – One of the barriers that exist for women when it comes to accessing employment is securing reliable transportation services. This has become a lesser issue in recent years with females granted access to driver’s licenses. Despite this, such barriers still hinder women from achieving full access to employment opportunities. The Wusool Program is an initiative that aims to overcome transportation barriers, by providing high quality and reliable transportation services at an affordable cost and that is available in most urban areas. The program covers 80% of the transportation cost through ride hailing apps for each trip between work and home, with a maximum of SAR 1,100 per month for beneficiaries with a salary less than or equal to SAR 8,000 per month. The program support period is 24 months and the total number of beneficiaries of the program is 56,851 women.^{9, 10}



Social Inclusion Among Disabled Groups – People with special needs and disabilities face particular obstacles that limit their participation in society. Much of this is due to the fact that settings, such as the workplace, are not often equipped or prepared to meet their needs. To overcome this, the Ministry of Human Resources and Social Development has been working with these groups to promote their empowerment, increase their participation, and integrate them into the labor market. Inclusion is not just about giving them opportunities, but it also means providing an environment that helps them perform their duties. As part of this, the Human Resource Development Fund established the Tawafuq Program, which encourages the adaptation of work environments to become more accessible and accommodating to the needs of people with disabilities. This is facilitated by the issuing of a certificate of adaptation (referred to as Mowaamah) to businesses that take into consideration the needs of those with disabilities. This encourages companies to develop tools for onsite implementation, create policies and procedures, and monitor and document information related to people with disabilities. It also provides further support, guidance, and direction to increase the number of persons with disabilities in the labor market. In 2020, the total number of beneficiaries of the program reached 4,641.^{11, 12}

The percentage of workers with disabilities who are able to work increased from 7.7% in 2016 to 12.2% in 2021.

Source: Kingdom of Saudi Arabia's Vision 2030

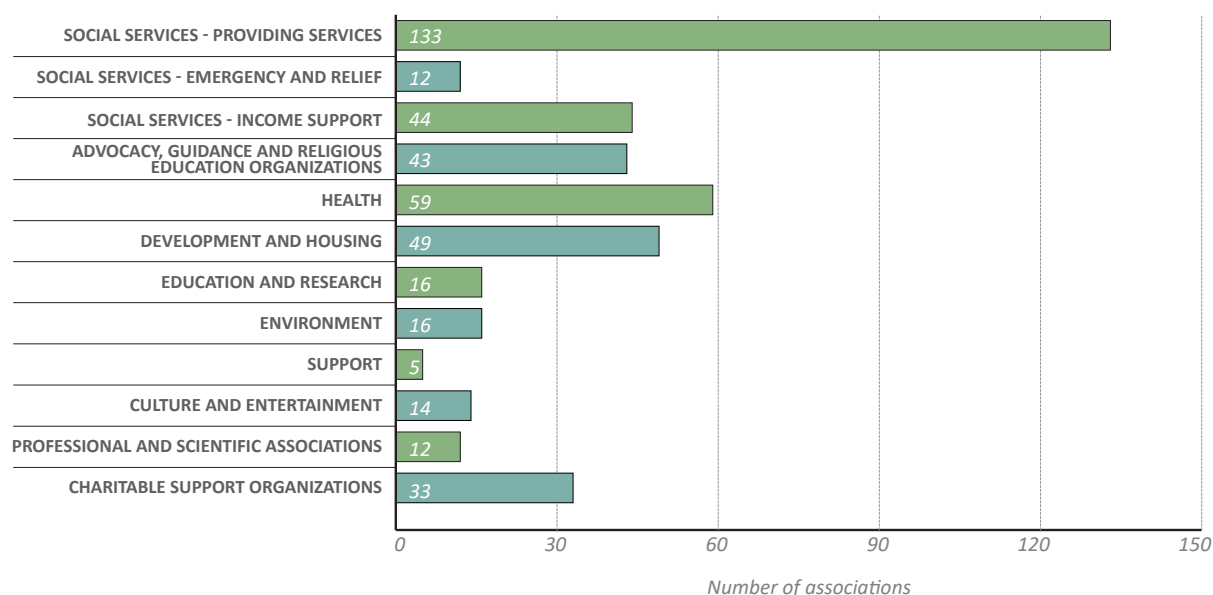


The Authority for Persons with Disabilities (APD) – APD is a governmental agency representing the interests of persons with disabilities. As part of their mission, the organization aims to shed light on the obstacles facing persons with disabilities, and to work with other sectors to enact legislation and laws to facilitate their path to success. APD is responsible for advocating for the rights of persons with disabilities, ensuring their access to those rights, enhancing their role in society and developing supportive services to improve their quality of life and wellbeing. On July 30, 2022, APD launched Purple Saturday, as a day dedicated to persons with disabilities, promoting services and benefits to advance their participation in society.¹³



Creation of Professional Associations – Through the Ministry of Labor and Social Development, the Kingdom of Saudi Arabia is putting in place the necessary foundation to create a prospering civil society. Such efforts aim to empower existing associations and encourage the establishment of new associations specialized in socio-economic matters. In doing so, these associations contribute to social development in the Kingdom by supporting and empowering various groups in society, including low income, unemployed, those in need, and people with innovative ideas that focus on solving important challenges faced by the community. In 2019 alone, the number of newly established non-governmental organizations was 420. Figure 8 provides a breakdown of these associations by thematic area, demonstrating the wide range of services provided. As of 2019, the total number of Non-Governmental Organizations (NGOs) in the Kingdom sits at 2,154.¹⁴

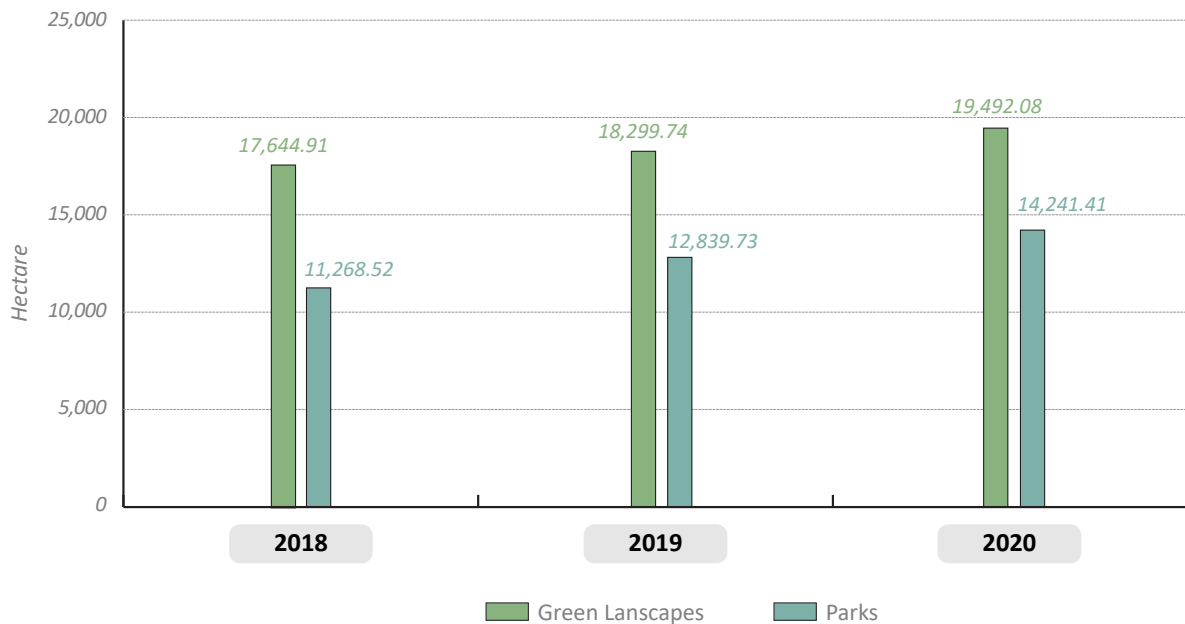
Figure 8. Number of associations established by specialization, 2019



Source: Ministry of Labor and Social Development Annual Report, 2019

ENSURE ACCESS TO PUBLIC SPACE INCLUDING STREETS, SIDEWALKS AND CYCLING LANES

Given that the bulk of Saudi Arabia's urbanization took place at a time when car ownership was on the rise, many of Saudi Arabia's cities were designed around the private vehicle. However, in recent years there has been a growing appreciation for more sustainable forms of urban development and a desire to make Saudi cities more people centered. A big part of this has been the development of public spaces and the conversion of private land into public land. As can be seen in Figure 9, the total amount of green areas has been on the rise. The amount of green landscapes has increased from 17,645 ha in 2018 to 19,492 ha in 2020, while the amount of parks has increased from 11,269 ha in 2018 to 14,241 ha in 2020. This sustainable transformation is part of a larger more integrated strategy to promote more sustainable urban forms, which include mixed use, public transport and public space.

Figure 9. Green areas at the national level in hectares (MoMRAH), 2018-2020

Source: MoMRAH Annual Reports, various years

Given Saudi Arabia's climate, however, universal approaches to public space development are not always transferable and instead Saudi Arabia has had to be creative in its applications of international approaches to public space development; emphasis being on producing climate friendly environments that can be utilized throughout most of the year. Alongside the pivot away from car centric cities, public transportation options have presented new opportunities for public space access including sidewalks, cycling lanes, gardens and squares. Regardless of the project, climate friendly sustainable urban design is an important consideration in public space development in the Kingdom. The following are examples of climate friendly public space initiatives that are currently underway in Saudi Arabia.

National Public Realm Design Manual – In line with Vision 2030 and the Spatial Planning and Visual Appeal's program, MoMRAH has prepared a National Public Realm Design Manual to contribute to the development of the urban fabric of Saudi cities. The manual serves as a guide to create an integrative and comfortable public realm that promotes the values of human-scale and people-centered design. The principles in the manual, which are built on international best practices and adopted to the Saudi context, are designed to create more functional and active public spaces in the Kingdom. The public realm typologies include but are not limited to public spaces, streets, streetscapes and development projects. The manual has been designed as an operational guide for urban development actors that work with public realm projects, including government, private developers and urban designers. Since its creation, there has been a growing appetite for an adapted manual at the regional level.¹⁵





Najd Oasis Walkway – As part of the Kingdom’s desire to increase green space per capita through the Green Riyadh Initiative, the government has made an effort to make previously underutilized space surrounding government buildings and public facilities available and accessible to the public. Najd Oasis Walkway, which was previously an enclosure located adjacent to the Ministry of

Municipal, Rural Affairs and Housing, has been opened up and converted into a modern green open space that adheres to people centered urban design principles including shaded areas protected from the climate, walkable footpaths setback from the streetscape and benches for rest and relaxation; all of which is now accessible to the public. This has been done with the aim of enhancing the urban landscape of Riyadh, providing a sustainable and healthy environment and upgrading the quality of services provided to the public.¹⁶



© MoMRAH



In the first half of 2021, the per capita share of public squares and places has exceeded the target value of 4.4 square meters/person, achieving an actual value of 5.24 square meters/person.

Source: Strategic Management Office (SMO)



Jeddah Waterfront Project – Jeddah, located on the Western Coast of Saudi Arabia, is the Kingdom’s commercial hub and the gateway to the holy city of Mecca. As a historical trading city, one of its most important assets is its waterfront. The waterfront stretches across 2.8 km of the Red Sea. The Jeddah Waterfront Project, which is part of Vision 2030, is being developed under

the Quality of Life Program and the Cities Humanization Initiative. The project consists of more than 180 thousand square meters of redevelopment space and is being designed as a commercial and entertainment destination consisting of markets, restaurants, shops, cafes and accommodation catering to both locals and tourists. An important feature of this project is the integrated network of public space, which includes open green space, pedestrian and bike paths, playgrounds and a 4,500 meter long sports track. To activate the waterfront in a creative way, a participatory art event was organized with local artists and typographers. The event resulted in the waterfront being divided into seven areas, each with its own landmarks and activities, creating a unique wayfinding experience for its users. The project is scheduled to be completed before the end of 2022.¹⁷



Humanization of Cities Initiative – The Humanization of Cities Initiative is an ongoing initiative aimed at shifting away from the previous car-centric model of urban development towards a more people-centered approach to building safe and healthy cities. The project itself focuses on remaking cities with an emphasis on preparing human-centered and climate friendly destinations and activities. Examples include municipal squares, playgrounds, gardens, green spaces, pedestrian paths and recreation space for celebrations, festivals and events. The initiative has already contributed to transforming the urban landscape and visual appeal of Saudi cities by expanding the amount of open green space. As part of this initiative, the Ministry of Municipal, Rural Affairs and Housing has created 217 public parks, 50 municipal squares, and 254 child-friendly playgrounds and planted 23.46 million trees in the process.^{18, 19} Examples of how these initiatives were implemented at the municipal level can be found in the 'Local Highlights' section of this report.



King Salman Park – On the site of a former airport, King Salman Park is often described as Riyadh's green lung. The park covers over 16 square kilometers of space and will serve as a destination for people to enjoy leisure, arts, culture, sports, entertainment and innovation; all while they are surrounded by nature. The project serves as both an outdoor space where people can go to walk and cycle among nature but also as a destination where they can go to enrich their social life. While the majority of the park will be open public space, it will also host the royal art complex, visitors pavilion, multiple museums, sports facilities, a golf course and an equestrian center among other facilities. Once finished, the park itself is expected to be seven times bigger than Hyde Park in London and five times larger than Central Park in New York City, making it the largest park in the world. Construction is currently underway, and the park is expected to be open in 2024.²⁰



© King Salman Park Foundation

55% of citizens and residents attended at least one festival or event in the last twelve months.

Source: Ministry of Culture, 2019



Riyadh Art – Riyadh, the capital of Saudi Arabia, is working to transform itself into a more livable city that offers an entertaining and high quality of life for those that live there. The Riyadh Art project, often described as a gallery without walls, is a unique civic art initiative that aims to transform public spaces and cultivate artistic expression through community engagement while accelerating the development of the city’s cultural industries. The project itself is comprised of more than 1,000 public art installations and includes two annual festivals, bringing art to residential neighborhoods, gardens and parks, squares and public spaces, metro and bus stations, bridges and pedestrian pathways, city entrances and major tourist destinations across the city. The project aims to turn the public realm into a creative canvas to enrich the lives of its residents through artistic expression and boost Riyadh’s ranking as a creative and cultural hub.²¹



© Riyadh Art



Al-Hamra Walkway and Park – Al-Hamra Walkway and Park is a public space intervention located in Al-Khobar municipality. Covering an area of more than 35,000 square meters, it is part of the municipality’s plans to promote sustainable development, enhance quality of life, and provide a safe environment and recreational facilities to meet the needs and aspirations of the community. The walkway, which is located in Al-Hamra district, covers a distance of 1,100 meters with a width of more than 35 meters. It also includes a 16,000 square meter green area. To improve the climate and protect the public from prolonged periods of extreme heat, the walkway has been lined with more than 250 trees, 3,500 shrubs as well as flowers and benches for leisure and rest. The walkway has been designed to provide opportunities for outdoor sports including running and walking as well as other activities. A special path dedicated to those with visual disabilities is a unique feature that makes the built environment more open and inclusive to all.²²



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1.1.2 ACCESS TO ADEQUATE HOUSING

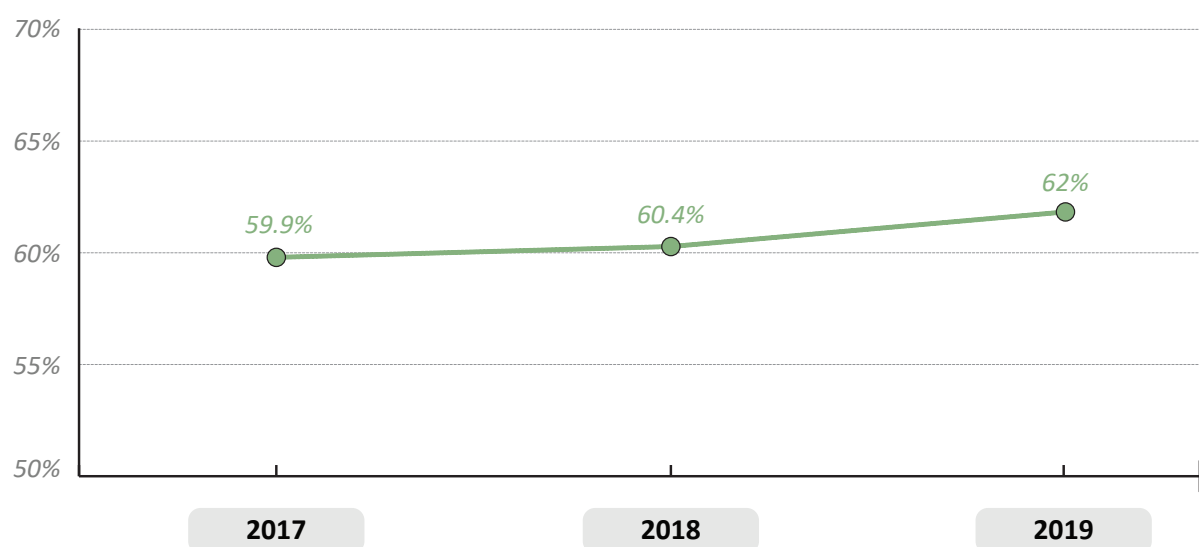
The Kingdom of Saudi Arabia is a rapidly growing country. Between 2010 and 2020 the population grew from 27.6 to 35 million. While much of this is spurred on by internal population growth, the country also experiences a high level of in-migration. Currently, non-Saudi's constitute approximately 38 percent of Saudi Arabia's population.²³

To accommodate the growing population, housing has been a long-term priority of the Kingdom. Not only is it viewed as a means of providing shelter and a place to live for the population, but it also represents an important pillar of the economy. Unfortunately, the rapid pace of population growth and the consolidation of the population into urban areas has meant that the demand for housing often outstrips its supply. To overcome this, the government has been putting in place new initiatives to ensure that everyone in the Kingdom has access to adequate and affordable housing. To facilitate this, the government has been focused on financing modalities for the building and purchasing of homes as well as construction efforts to secure that enough units are being built to keep up with demand.

ENSURE ACCESS TO ADEQUATE AND AFFORDABLE HOUSING

Investment in housing has a significant impact on cities and profound influence on people's lives. It also plays an important role in economic development, employment generation and poverty reduction. Securing access to adequate and affordable housing is therefore an important priority and a pillar of development in the Kingdom. To ensure access to adequate and affordable housing, the Kingdom of Saudi Arabia has been supporting the housing sector through multiple initiatives and efforts. Financing for housing is primarily provided through the Real Estate Development Fund, while the construction of housing is being supported by efforts from the Ministry of Municipal, Rural Affairs and Housing as well as through the private sector. As can be seen in Figure 10, the percentage of the Saudi population that own housing units has been on the rise, increasing from 59.9 percent in 2017 to 62 percent in 2019. The target of the government, under Vision 2030, is to increase homeownership to 70 percent by 2030. With efforts being ramped up in recent years, it is expected that this target will be achieved in a timely manner.

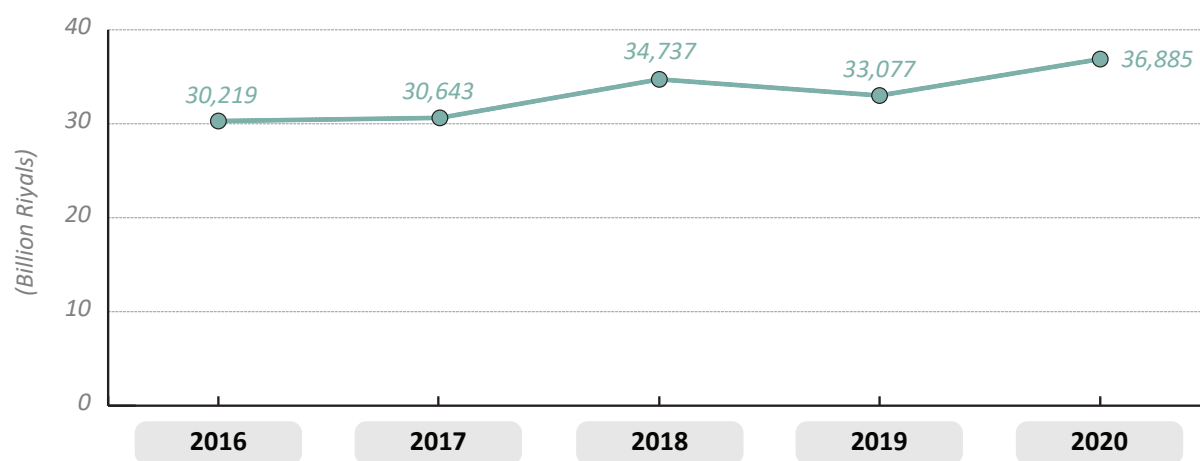
Figure 10. Percentage of owned housing units (occupied with Saudi households), 2017-2019



Source: Housing Bulletin, GASTAT, various years. Percentages based on author's calculations.

According to government final consumption expenditure figures, the amount allocated to the housing sector increased from 30.2 billion SAR to 36.8 billion SAR between 2016 and 2020, as can be seen in Figure 11. Despite the amount of investment directed towards the housing sector in recent years, the Kingdom of Saudi Arabia continues to face certain obstacles when it comes to keeping up with the demand for housing. While high levels of population growth help to explain the housing deficit, preferences for lower density residential developments are another reason. Efforts to supply low-density single-family housing requires larger amounts of land and materials than higher density mixed use developments. The latter often makes better use of land supply and can be built at scale over a shorter period of time, whereas the former require more space and take longer periods to complete. Several high-profile projects in recent years have demonstrated the value of increased density and accessibility to urban services and amenities. In accordance with this, the relative affordability of alternative forms of housing beyond single family dwellings (ie. apartments, duplexes, etc.) have also appealed to young families.

Figure 11. Government final consumption expenditure for housing & community amenities, 2016-2020



Source. Saudi Central Bank (SAMA), Annual Statistics, 2020.

Note. Figures are in purchaser's values at current prices.

The percentage of citizen satisfaction with the housing programs and solutions provided has increased, reaching 80% by the end of 2020 compared to 32% before the launch of the housing program.

Source: Kingdom of Saudi Arabia's Vision 2030

One of the top priorities of the government at the moment is to secure access to adequate and affordable housing for its population. The high cost of housing and limited supply has made it difficult for low- and middle-income households to own their own homes. The government has a number of initiatives underway to help improve housing affordability and increase home ownership rates.



Sakani—Sakani is a program established in 2017 by the Ministry of Housing and the Real Estate Development Fund to facilitate homeownership among Saudi citizens. It does so by creating new housing stock, allocating plots and homes to nationals and financing their purchases. The majority of the beneficiaries of residential support contracts have been for ready-made units helping to improve the efficiency of housing supply. Between 2017 and 2021, Sakani built more than 161,834 units which have been distributed across different regions of the Kingdom. Sakani also launched an online home platform to help individuals secure financial services and to reserve housing units in advance. Approximately 27 percent of Sakani’s portfolio consists of Ministry projects, while the remaining 73 percent consists of partnerships with the private sector.²⁴



ROSHN – Also contributing to increasing the supply of housing in the Kingdom is ROSHN. ROSHN is a national community developer established as part of the Public Investment Fund. Its targeted goal is to increase the rate of homeownership to 70 percent by 2030. In the process of contributing to the housing needs of the Kingdom, ROSHN is also improving quality of life, contributing to GDP and creating jobs and investment opportunities in the process. ROSHN is currently active in Riyadh, Makkah, Asir, Eastern Region, Jeddah, Al Kharj.²⁵



©ROSHN



Jood Eskan – Jood Eskan is an initiative that is under the National Development Housing Corporation, which aims to provide easily accessible housing support to qualified households through an online portal. The platform facilitates individuals and organizations to make charitable donations to recipients in need of housing support. The initiative contributes to the mandate of charitable housing through expanding the range of housing services to meet the needs of beneficiaries, implementation of operational standards and governance practices, formulating long term strategic partnerships, diversification of funding sources to achieve financial sustainability and offering a high level of customer service delivery. The initiative has successfully resulted in 3.8 million contributions, contributed close to SAR 700 million and served 35,000 beneficiaries in the process.²⁶

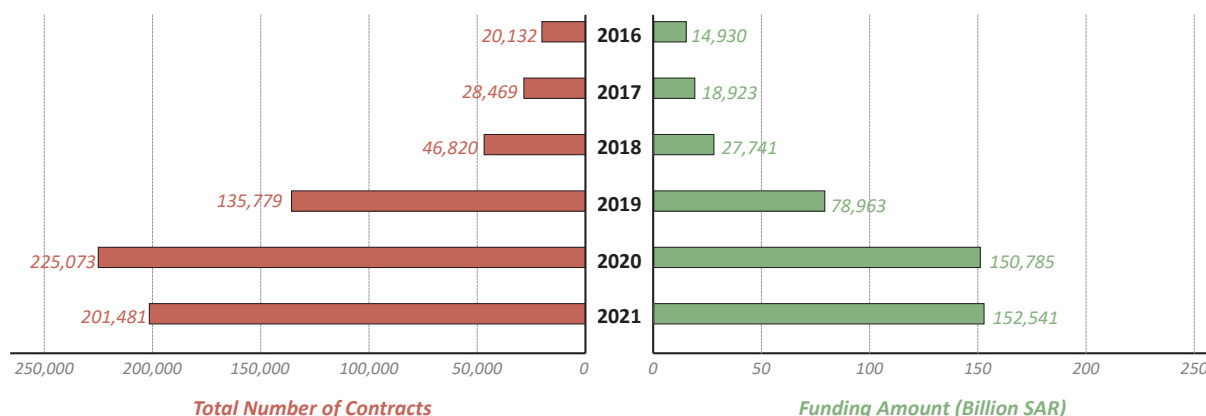


White Land Law – White lands refer to vacant lands or undeveloped plots designated for residential or residential commercial use and situated within the urban limits. In certain ways, the existence of white lands has been a barrier to increasing the housing supply in the Kingdom. This is due in part to the potential benefits that owners can receive for sitting on vacant land with the hopes of the land value increasing and the chance of maximizing profits in the future. Such practices, however, tend to bid up the prices of land relative to construction costs. To combat this, the government recently issued a white land law that imposes a fee which equates to 2.5 percent of the value of land, for vacant lots in populated areas that are zoned for residential or for dual residential and commercial use. The overall aim of this law is to increase the supply of developable land in order to reduce housing shortages, make residential land available at reasonable prices, and combat monopolistic practices. Efforts are also being made to develop a strategy for strategically identifying white lands that hold catalytic value and that can contribute to promoting more sustainable forms of urban development (ie. improved urban density, supporting transit ridership and creating more walkable mixed-use developments).^{27, 28}

ENSURE ACCESS TO SUSTAINABLE HOUSING FINANCES

While the supply of housing is only part of the story, access to housing finances is another important component. Most households in Saudi Arabia cannot afford to purchase housing outright and instead rely on different modes of financing in order to be able to obtain suitable housing options. In recent years, significant efforts have been made to increase the housing finance opportunities available to the public. In particular, new mortgage finance for individuals provided by banks has been on the rise, increasing from SAR 14.9 billion in 2016 to SAR 152.5 billion in 2021, as can be seen in Figure 12. In addition to this, the total number of contracts has risen from 20,132 to 201,481 over the same period.

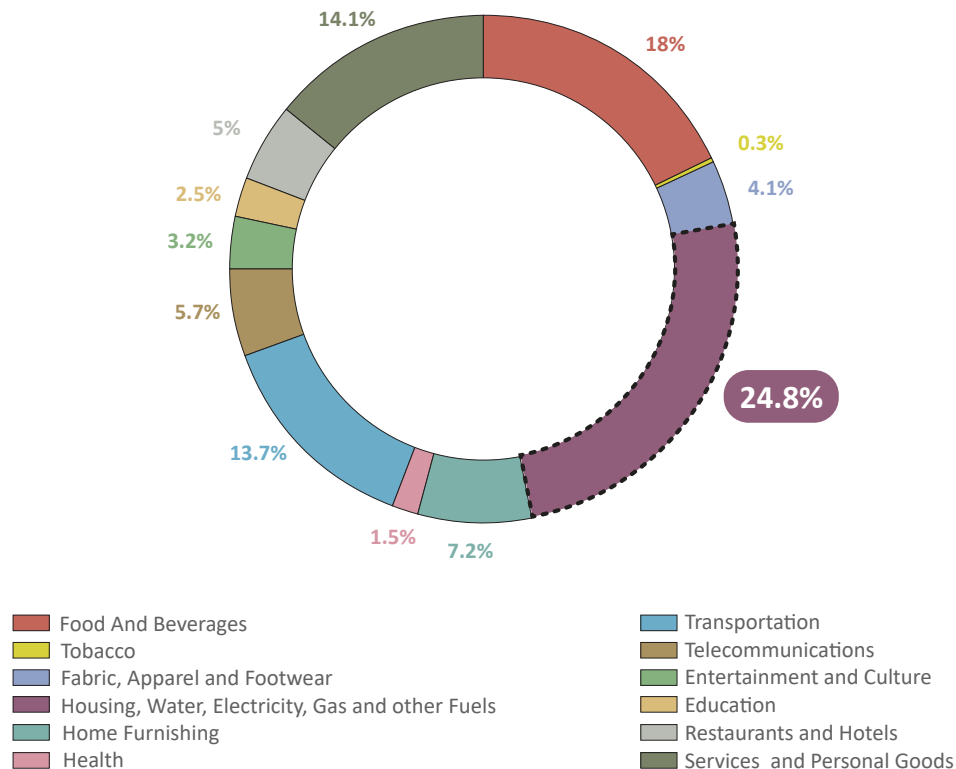
Figure 12. Residential new mortgages finance for individuals provided by banks, 2016-2021



Source. Saudi Central Bank (SAMA), Monthly Statistical Bulletin, May 2022

Given that housing is an integral part of Saudi Arabia's social and economic ambitions, increasing the level of homeownership is a priority for the Kingdom. In general, the cost of housing in Saudi Arabia is affordable, however, this varies considerably by income group. Figure 13 indicates that the average Saudi household spends approximately 25 percent of their monthly income on housing and housing related costs (ie. water, electricity, gas, etc.), however, lower income groups find themselves having to allocate considerably higher proportions of their budget to housing. According to the Saudi Cities Report (2019), lower income families can spend closer to 40 percent of their monthly incomes on housing related expenditures.

Figure 13. Average Saudi household's monthly expenditure for housing and other costs, 2018



Source. Household Income and Expenditure Survey, GA Stat, 2018



Development Housing Program (Sakani) – The Development Housing Program, which is part of Sakani, is a strategic partnership with the non-profit sector positioned to fill the gap in supply among the most underprivileged families. This includes boosting the attractiveness of the sector for investment by the private sector in order to create stability and long-term sustainability. In addition, the program is undertaking rehabilitation projects for more than 350 residential community associations across the Kingdom. The Sakani program has provided a variety of housing solutions that enable citizens registered with the Ministry of Municipal, Rural Affairs, and Housing and the Real Estate Development Fund to choose a suitable type of housing for them through easy and simple steps. The program aims to provide housing and financing solutions that meet the needs of citizens while also improving the client's experience of owning their first home in the process. Moreover, the Sakani platform operates as a comprehensive digital umbrella for all housing-related services and products available for individuals. In this way, it enables users to view and explore available housing units, various design options and more. In addition to this, the Sakani Comprehensive Center facilitates a meeting point between clients, real estate developers, sales, financing agencies, housing system services and documentation procedures. Currently, the center has four branches in Riyadh, Al-Khobar, Jeddah and Medina.^{29, 30}



National Housing Company – The National Housing Company was created in 2016 to be the investment arm of the Ministry of Municipal, Rural Affairs and Housing for the real estate, residential and commercial sectors. It has since evolved into a multidisciplinary entity and a key enabler of the Saudi real estate market. Its diversity of functions include: 1) developing innovative solutions that constitute an added value to serve actors in the real estate sector, 2) providing an integrated electronic network for organizing and developing the real estate rental sector (Ejar), 3) imposing fees on white lands to increase the supply of developed residential lands at reasonable prices, 4) setting standards to promote sustainable building and contribute to improving the quality of housing units, 5) regulating the relationship between owners and occupants of real estate units of joint ownership (Mullak), 6) providing a platform that enables establishments to disclose housing information for their employees and to ensure the availability of an appropriate housing environment for them, among others.³¹



Real Estate Development Fund – When it comes to purchasing a home, certain groups in society face financial barriers. As a means of increasing homeownership while alleviating the financial burden that homeownership places on Saudi families, the Real Estate Development Fund (REDF) has introduced diversified and balanced financing programs that are tailored to the needs of each potential homeowner. As such, REDF is one of the largest mortgage institutions in the world, operating by providing concessional loans for both private and investment purposes. It is committed to the goal of increasing Saudi homeownership to 70 percent of the population by 2030. To date, the Fund has advanced 2,470 loans totaling 5.154 billion Saudi Riyals and resulting in the construction of 29,227 living quarters.³²

The Kingdom is Providing adequate housing for families most in need of the benefit system by offering more than 46,000 housing units in various regions of the Kingdom in partnership with the non-profit sector and more than 350 associations.

Source: Kingdom of Saudi Arabia's Vision 2030



Bunyan Foundation Housing Division – Bunyan Foundation was founded by a group of Saudi women in 2011, with the aim of providing adequate housing for disadvantaged families and to create financially independent and productive families in the process. The Housing Division at Bunyan is comprised of five programs, serving different aspects of housing needs. The Home Ownership Program promotes development through support to families in owning their own home. The Loan Program provides financial support to families in the form of a loan that is recoverable through easy monthly installments; once recovered, the amount is loaned out to another family in need. The Restoration Program supports families in renovating their homes or building on land that they already own. The Development Housing Program provides housing units with usufruct rights to deserving families who are covered by the Ministry of Human Resources and Social Development and registered in the housing supply portal. The Rent-to-Own Program facilitates low-income families by helping them purchase a home through easy interest-free installments.³³

ESTABLISH SECURITY OF TENURE

While increasing the housing supply is an essential aspect of security of tenure, equally as important is ensuring that the proper regulatory environment is in place. For a healthy housing market to exist, there needs to be clear property rights, security of tenure and a transparent land inventory system. Land tenure refers to the legal institution in which land can be purchased and owned by an individual. It details who owns the land, for what use, and what their responsibilities as landowners are. Without a trusted land tenure system, there cannot be the sale, purchase or transfer of land. Security of tenure is important, not only for ensuring that one has a place to live, but it is also an important financial mechanism for gaining access to credit and increasing purchasing power.

While Saudi Arabia has an established land tenure system, land-based violations do still occur. This is most often the case for unused government land, where there are instances of land that has sat dormant for some time and is eventually encroached upon by neighboring landowners or individuals looking to occupy a piece of land for themselves. In 2018, municipalities removed encroachments on more than 9,885 million square meters of government lands in a number of different regions and governorates.³⁴ To prevent future violations, municipalities continue to monitor government owned land and take the necessary enforcement action if required.



Real Estate Identity – The Ministry of Municipal, Rural Affairs and Housing in collaboration with the Ministry of Justice launched the first real estate identity system to enhance the reliability and validity of real estate in the Kingdom. Each real estate unit has a distinctive number assigned to it which ensures that there is no duplication and that ownership rights do not overlap. In addition to this, the real estate registration system ensures the protection of property rights by collecting and documenting data related to real estate units, identifying the nature of the real estate unit and georeferencing its coordinates on a map. As such, it contributes to preserving the rights of

individuals in accordance with legislation. The activation of the real estate identity system has contributed to raising the Kingdom’s classification in the World Bank’s Property Registration Index. In addition to this, the Real Estate Registration system ensures documented records of real estate transactions in the Kingdom.³⁵



Rasid Application – The Rasid Application is a unified platform for communicating, monitoring and treatment of encroachment violations on government lands. The App works by providing a visual confirmation of encroachments and other irregularities on government lands so that violations can be documented and further investigated. In doing so, it aims

to limit the number of encroachments and land-based violations in the Kingdom. The Rasid Application is an important monitoring and prevention tool for municipalities to combat real estate irregularities and violations.³⁶

ESTABLISH SLUM UPGRADING PROGRAMMES

During the 1970s and 1980s, the growth of the urban population was occurring at a faster pace than the government's ability to provide sufficient quantities of serviced land. Subsequently, informal and substandard housing began to spring up on un-serviced land located on the peripheries of cities. While this initially began as disconnected and isolated developments, as the urban footprint of cities continued to grow, some of these informal structures are now located within the limits of the cities and have become part of the existing urban fabric. In addition to this, the Kingdom of Saudi Arabia is home to two of Islam's holiest cities – Makkah and Medina. Annually, more than 15 million people arrive in Saudi Arabia to visit these important sites. During the period of Hajj alone, approximately 2 million visitors arrive. As a biproduct of the high number of visitors in the past, some have unofficially chosen to make Saudi Arabia their home and erect substandard or informal forms of housing. Subsequently, Makkah and Medina, as well as the adjacent cities of Jeddah and Taif, tend to have a disproportionate concentration of informal structures.

Despite there being no clear definition of slums, there have been several studies conducted to define the various types of informal structures in the Saudi Arabian context. For example, a study conducted by the Royal Commission for Riyadh City defines a slum as "every gathering dominated by residential use and built on unplanned lands and developed without obtaining a building permit".³⁷ Other definitions refer to irregular activities established on temporarily planned lands, which are mostly random development sites for camel and sheep yards, often scattered on the outskirts of the city. The challenge with such informal developments, is that many of the structures are not properly built to code, do not have the requisite services to ensure healthy living standards and there are also the issues that have to do with the violation of building, safety and environmental standards.

In recent years, Saudi Arabia has undergone significant efforts to raise the standard of living among vulnerable populations in the Kingdom and to ensure that everyone has access to safe and affordable housing. As part of this, efforts have gone into ameliorating the challenges that surround informal areas, which tend to be characterized by substandard development and lack access to basic services. The following are several initiatives that are currently ongoing in order to improve living conditions and upgrade the existing stock of informal housing in the Kingdom.

Procedures to Reduce the Emergence of Informal Areas in Riyadh City – Although informal



areas in Riyadh are not widespread, the Royal Commission for Riyadh City has developed a program to identify, diagnose and address the challenges surrounding informality. To begin with, the Commission prepared a study, starting with determining their locations, the reason for their emergence, the most important challenges and negative externalities that have arisen from them or that may arise in the future. From here, they have prepared development procedures and operational plans as well as designated relevant agencies to follow up and carry out these actions. Example interventions include: conducting comprehensive studies and planning exercises; undertaking building and other relocations; upgrading areas by extending public service such as water and electricity; decongesting areas that have led to obstructions; providing cleaning, maintenance and oversight services; developing plans for the management

of stray animals; opening and paving streets included in the approved plan; naming and numbering buildings; establishing police stations and schools; issuing regular licensing services; forming local development committees and setting up social programs; and, providing support to families in need among others.³⁸



Neighborhood Redevelopment in Jeddah – Jeddah, which is Saudi Arabia’s second largest city, has experienced significant growth over the years. While the majority of this growth has occurred in a planned and coordinated manner, some parts of the city have grown more organically. This has meant that certain aspects of these neighborhoods do not adhere to current regulations and standards and are therefore at risk of certain hazards. Consequently, there are 64 neighborhoods in Jeddah that have been identified for redevelopment. To facilitate this process, a committee responsible for the redevelopment of slums was created, including the establishment of an implementation plan and timetable for the targeted areas. Phase 1, which has already begun targets 32 areas, while phase 2, targeting the remaining neighborhoods, has not yet commenced. The process of neighborhood redevelopment is being conducted in an inclusive way with a series of consultation processes taking place between the responsible authorities and the owners and residents living in each of the neighborhoods. The committee is also responsible for providing services to the residents of the neighborhoods, including permanent housing services, temporary housing until compensation or permanent housing is received, an application service for compensation, luggage transfer services and food baskets among others. Relocation processes are only set to begin after a sufficient notification period. The overall aim of this initiative is to improve the quality of life for those living under insufficient conditions and to facilitate the residents’ access to all necessary services, most notably health, education and housing services.³⁹



Al-Nakasa Neighborhood Development Project – Al-Nakasa neighborhood is located in Makkah City and is an area that has been targeted for development. This is due in part to the informal nature and the lack of planning standards in the neighborhood. To address the concerns around safety and standards and to upgrade the area to adhere to modern day planning practices, a joint project between the Makkah Regional Development Authority and Makkah City was prepared and submitted. The project aims to reconfigure the urban structure of the area in a comprehensive and integrated way. The design idea is built upon a comprehensive plan that covers all aspects of urban development, including housing, transportation networks, utilities, public services, social and economic development and recreational uses. This has been based on numerous studies and workshops to inform the vision of the redevelopment of the neighborhood.^{40, 41}



1.1.3 ACCESS TO BASIC SERVICES



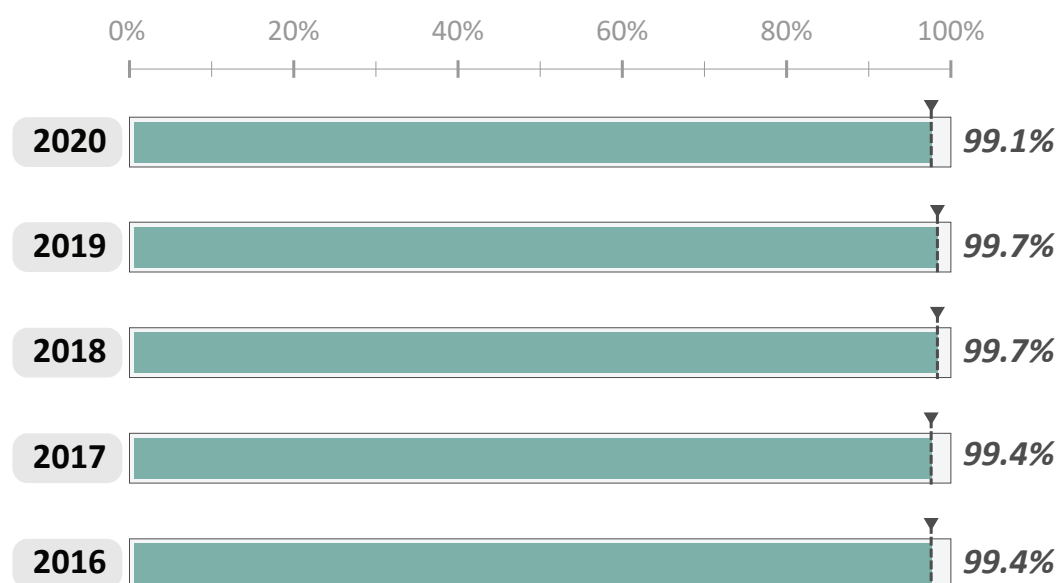
With near universal access to safe drinking water and sanitation services, access to basic services is an area in which the Kingdom of Saudi Arabia performs exceptionally well. Efforts in recent years have been directed towards introducing new technologies for more efficient and effective service delivery as well as a concerted effort to shift towards more sustainable and cost-effective models. This is particularly the case in the areas of solid waste collection, public transportation and energy generation where technological advancements have seen significant progress in recent years.

PROVIDE ACCESS TO SAFE DRINKING WATER, SANITATION AND SOLID WASTE DISPOSAL

WATER

Producing enough water to meet the daily needs of the population is an important priority for any country. With few lakes and a limited amount of rainfall, sustainable access to safe drinking water is a significant challenge for the Kingdom of Saudi Arabia. Consequently, much of the water consumed in Saudi Arabia passes through conversion facilities. Despite this, the Kingdom has achieved near universal access to water. Evidence of this can be seen in Figure 14, which shows the proportion of the population using safely managed drinking water services for the years 2016-2020.

Figure 14. Proportion of population using safely managed drinking water services, 2016-2020

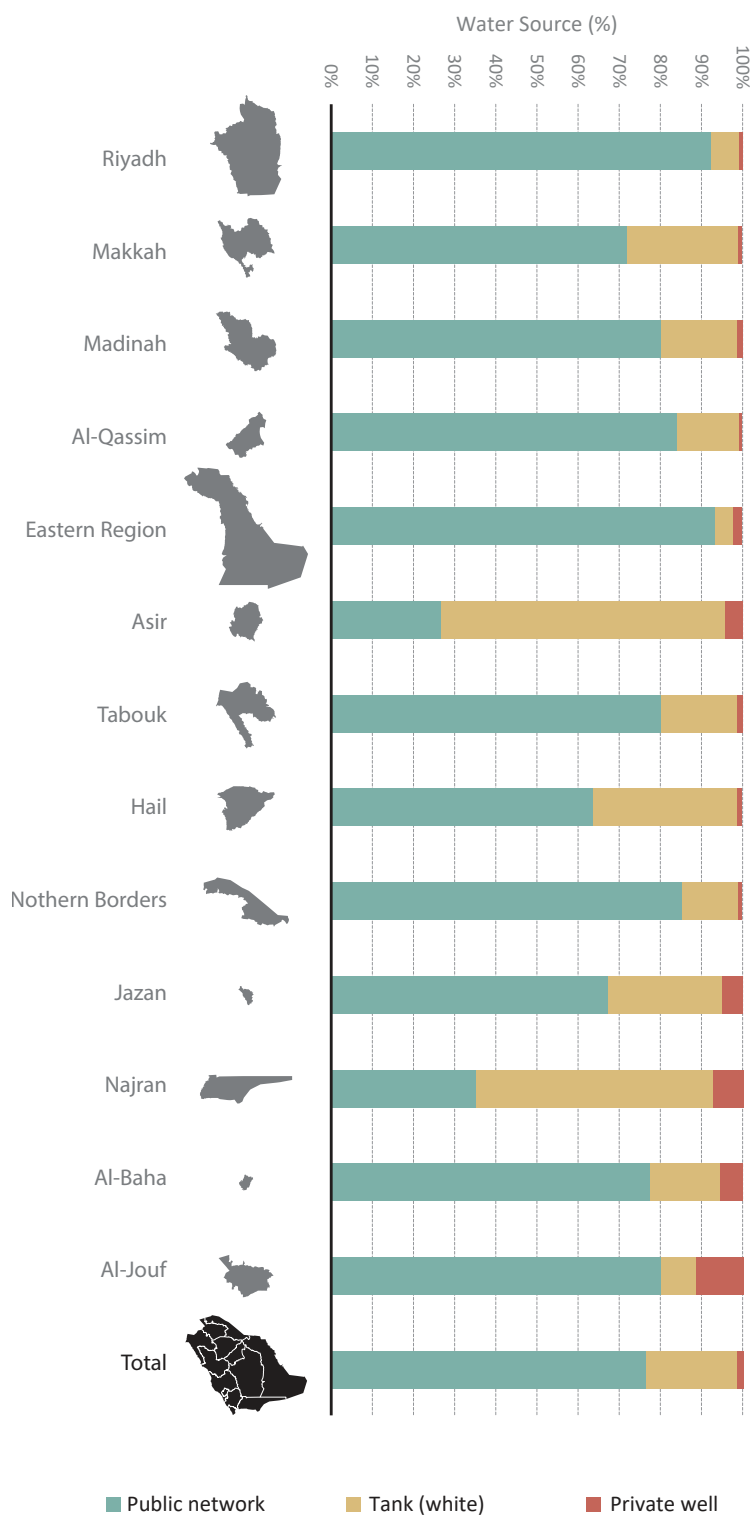


Source: GASTAT, 2022

Although access to water achieves near universal coverage, not all areas are connected via publicly piped water. Approximately 22 percent of households are still without access to piped water and instead rely on water that is trucked in or is collected from local wells. This is particularly noticeable in mountainous regions such as Asir and Najran, as depicted in Figure 15. To overcome this, the Integrated Plan for Managing Water Resources was established and was designed to provide a comprehensive overview of the supply and demand of urban water resources according to region. This helped to identify the areas that did not have sufficient

capacity and to put in place a plan to overcome this. As part of the National Transformation Plan and Vision 2030, several initiatives have been established to improve access to safe drinking water commensurate with the growth of the population, increasing living standards and against the threat of climate change.

Figure 15. Relative distribution of water source in houses by administrative region, 2019



The main sources of water in the Kingdom of Saudi Arabia are supplied through desalination processes; followed to a lesser extent by aquifers and dams. Desalination is the process of producing potable water from brackish seawater. Saudi Arabia is currently the largest producer of desalinated water in the world with desalination plants producing more than 63 percent of the water used in Saudi Arabia. While this form of water production, is an important means of provision in the region, it does come with an environmental cost which includes high electricity consumption to run desalination plants and comparatively higher GHG emissions stemming from excessive energy use. In addition to this, the biproduct of the desalination process is the disposal of brine which contains high levels of salt and chemical contents that pose a threat to marine biodiversity.

To overcome these disadvantages, the Kingdom of Saudi Arabia has been investing in advancements in technology and new forms of desalination. The King Abdulaziz City for Science and Technology, which is a hub dedicated to research and development in different fields, is an important source of innovation for the water production sector.

Source. Household Environment Survey, GA Stats 2019



Water Desalination Project Using Solar Power – As noted above, one of the notable shortfalls when it comes to water desalination is the high electricity consumption needed to power water pumps. In an effort to find more efficient and environmentally friendly alternatives for water production, the government launched the Water Desalination Project in November 2018, which aims to utilize the Kingdom’s solar resources to overcome its water challenges. The Al Khafji desalination plant, for example, uses reverse-osmosis technology, which was developed at King Abdulaziz City for Science and Technology, and is powered by photovoltaics. The environmental benefits are realized by removing the high percentage of carbon emissions that arise from desalination, refrigeration, air conditioning and energy production. It is expected that the Water Desalination Project will reduce the cost of water desalination by 40 percent per cubic meter, increase desalination production capacity by 90,000 m³/day and result in a reduction of 14,000 tons of otherwise harmful CO² emissions.⁴²

Saudi Arabia has obtained two Guinness World Records certificates; the first for the largest desalinated water production facility in the world, with a production volume of 5.6M m³ per day, and the other for the largest desalinated water production plant in the world.

Source: Kingdom of Saudi Arabia's Vision 2030



Supply and Demand Plan – The Ministry of Environment, Water and Agriculture has completed the supply and demand plan for water use in the urban areas. The plan takes into consideration water supply and demand for all regions of the Kingdom until the year 2050. The plan is based on a mathematical model which assessed the population growth rate, percentage of network losses, peak demand factor, demand for Hajj and Umrah, demand for development projects and the executive plan to cover the water demand from current and future water sources, including wells, dams and seawater desalination plants. The plan is an important step towards water security, sustainable use of natural resources and the efficient planning and management of water resources in the Kingdom.⁴³

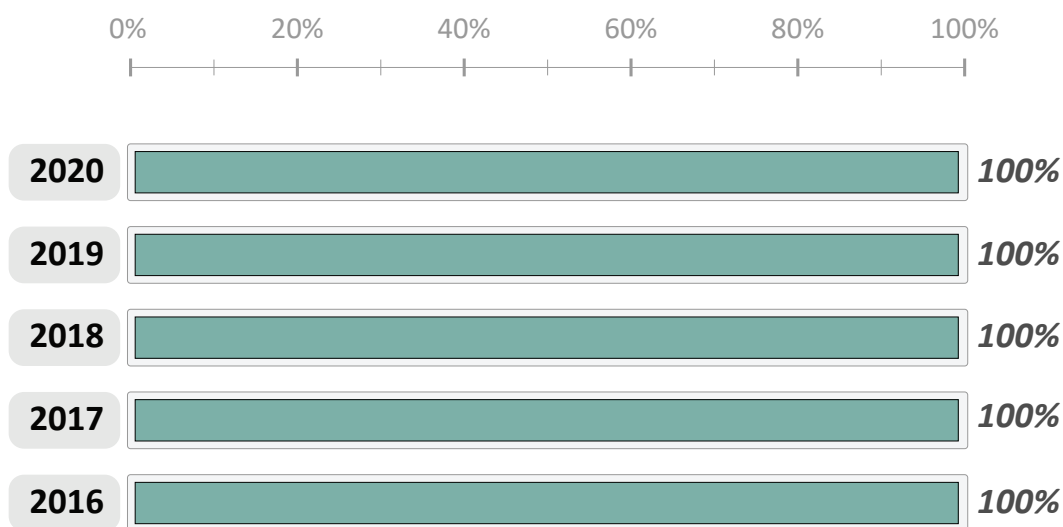


Water Recycling – With the aim of increasing the rate of reuse of treated water from 30-40 percent to 90 percent by 2040, the Kingdom of Saudi Arabia is currently making significant investments in wastewater treatment infrastructure. To support this, the National Water Company (NWC), which is responsible for wastewater treatment services, has created a dedicated Treated Sewage Effluent Business Unit (TSE-BU) to oversee and educate the public on the safety and benefits of using treated sewage effluent for alternative uses. This primarily includes agriculture use, irrigation of urban green spaces as well as for aquifer recharge. To date, the development of wastewater schemes is currently underway in Jeddah, Dammam and the Northern border Region.^{44, 45}

SANITATION

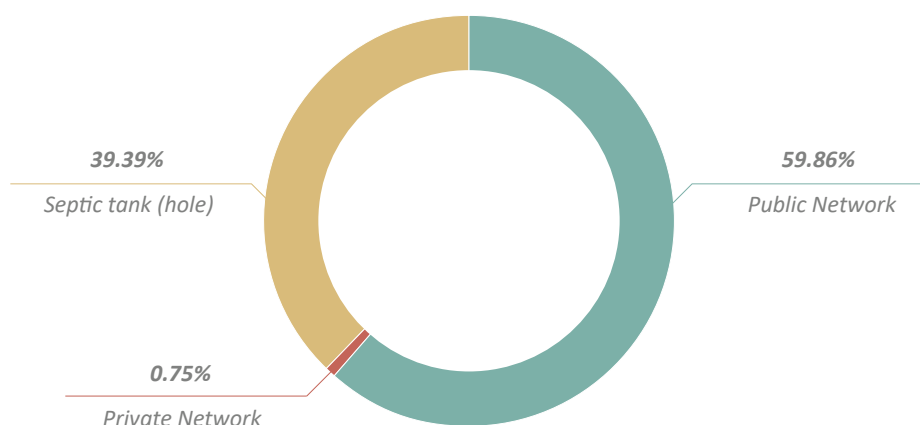
Similar to water, the Kingdom has experienced remarkable progress when it comes to access to sanitation. This can be seen in Figure 16, which illustrates that the country has achieved universal coverage. When it comes to the type of coverage, approximately 60 percent of the Kingdom is served by the public sewage network, with the remaining 40 percent relying on other forms of sanitation which includes septic tanks and private networks as denoted by Figure 17.

Figure 16. Proportion of population using safely managed sanitation services, 2016-2020



Source: Indicators of the Sustainable Development Goals, GASTAT, 2020 and GASTAT Housing Survey
 Note: According to the methodology used the figures include both public and private networks.

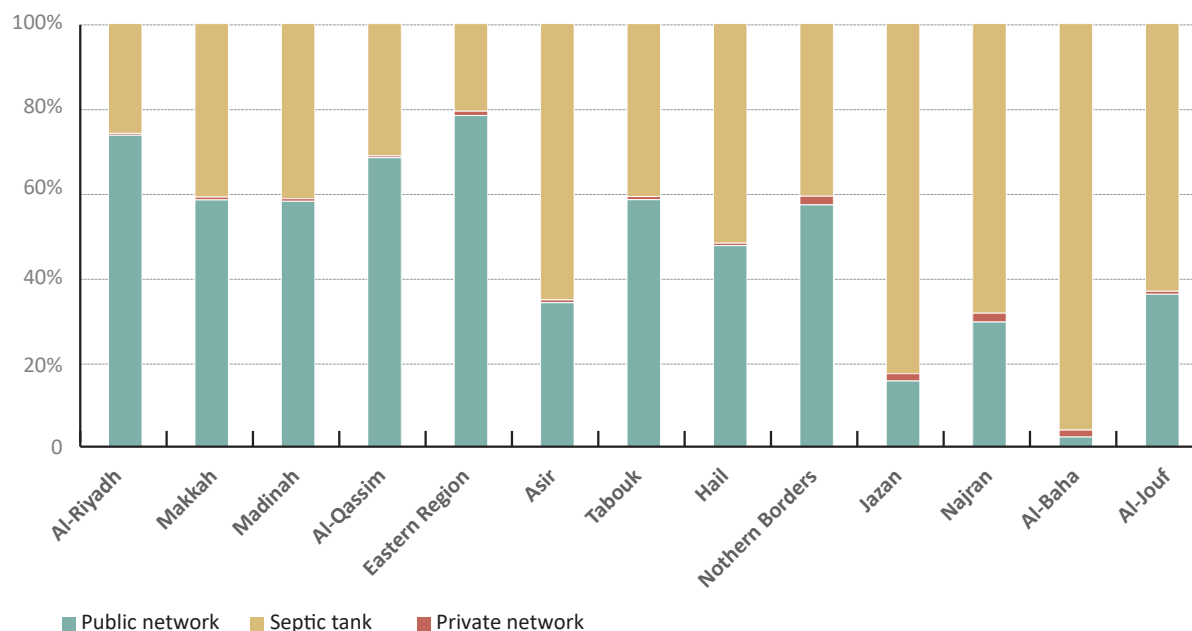
Figure 17. Relative distribution of the main source of household sewage in the Kingdom, 2021



Source: Household Environment Survey, GASTAT, 2021

As depicted in Figure 18, more urbanized regions such as Eastern Region and Al Riyadh have a high level of sewerage network coverage, whereas regions that are more remote (ie. Al Baha and Jazan), as expected, have less access to sewerage networks and instead rely on other forms of coverage such as ditches and pits.

Figure 18. Relative distribution of the main source of household sewage by administrative region, 2021



Source: Household Environment Survey, GASTAT, 2021

Despite the Kingdom of Saudi Arabia having achieved universal coverage when it comes to access to sanitation services, continued efforts are underway to improve sanitation infrastructure, particularly in the hard-to-reach regions.

Responding to Regional Imbalances in Water and Sanitation Provision – Responding to regional imbalances in water and sanitation provision, efforts are underway to increase coverage and capacity in more neglected areas. For example, seven projects have recently been launched in Najran, which includes implementation of water networks and connections, drilling and operation of an underground well, and implementation of sewage networks and connections to raise the coverage of water services in the area. The projects are expected to benefit about 40 thousand people in the region. In Al Baha, the sewage treatment plant project underwent a third phase which involved expanding the capacity by 50 thousand cubic meters per day, while the sewage network was expanded by 375 kilometers. Water networks have expanded to 28 new villages. In the Asir region, an additional twelve projects were launched in 2020 to overcome operational inefficiencies and to increase supply.^{46, 47}



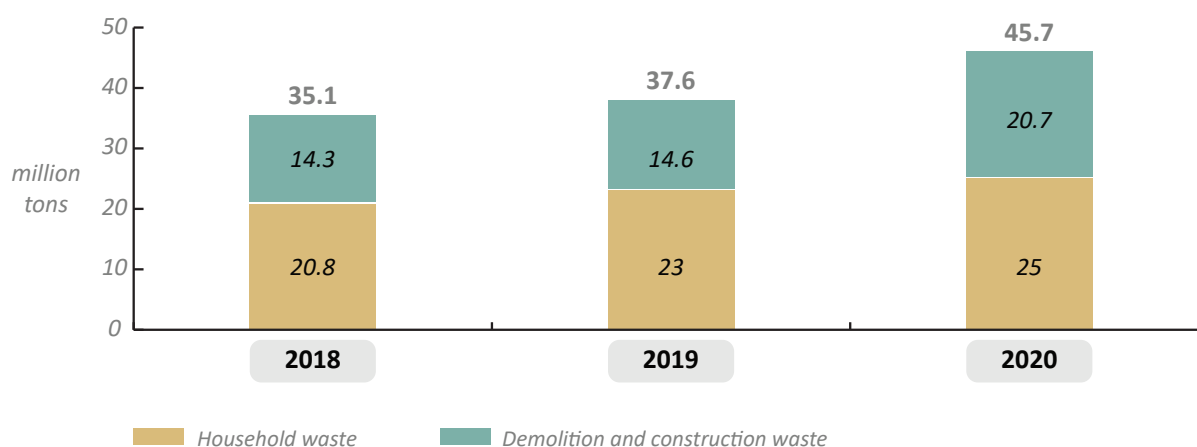
Reuse of Treated Wastewater Initiative – In an effort to improve environmental conservation and promote safe environmental disposal, the National Water Company (NWC) is putting in place several initiatives to conserve groundwater by raising the rate of wastewater reuse. This includes increasing quantities

of treated wastewater for reuse, expanding the use of treated water for various purposes and promoting safe environmental disposal. To facilitate this, the NWC is constructing new treatment plants and equipping existing ones with the technologies needed to improve the quality of produced water for reuse. The target of this initiative is to increase the reuse of treated water by 25 percent in 2025.⁴⁸

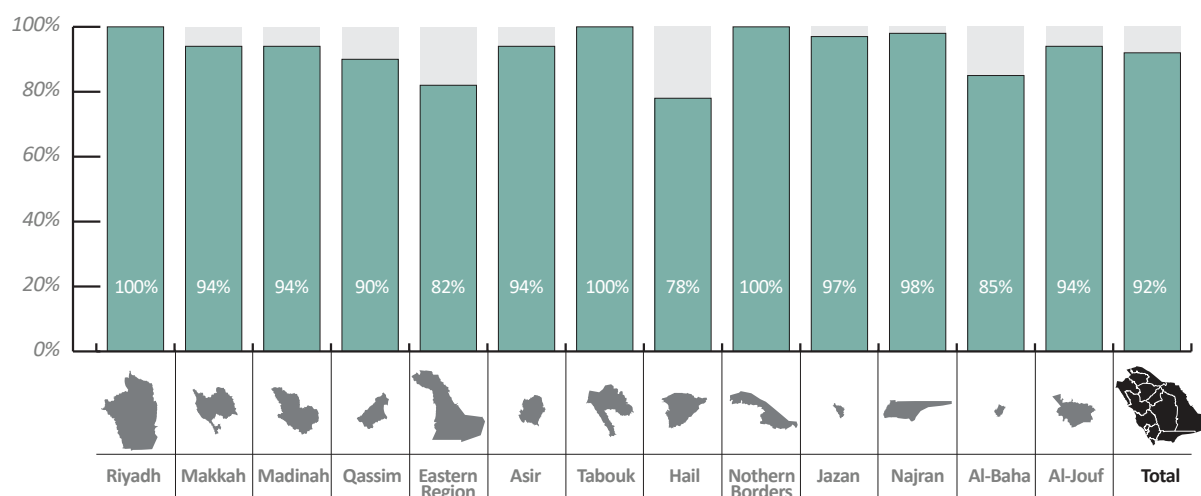
SOLID WASTE

With only 58 percent of the population residing in urban areas in 1975 to 84 percent today, Saudi Arabia has experienced a significant rise in urbanization. Alongside the growth in urban population and the necessary construction needed to make room for a growing urban population, the country has also experienced an increase in the amount of municipal solid waste generated, which in turn, has increased the demand for landfills. Figure 19 shows the breakdown of municipal solid waste collected. According to these figures, between 2018 and 2020, the total solid waste collected increased from 35.1 to 45.7 million tons; this represents a 30 percent increase in waste generated. It is worth noting that the larger gains have been experienced among the category demolition and construction waste.

Figure 19. Municipal solid waste collected in controlled facilities, 2018-2020



Unfortunately, most of the waste in Saudi Arabia ends up in landfills. According to Figure 20 landfills account for approximately 92 percent of household waste disposal; albeit this varies by region. Landfills have harmful implications for the environment due in part to leaching and soil contamination as well as greenhouse gas emissions. With some reports indicating a per capita waste generation of approximately 1.5 to 1.8 kg per person per day this becomes a significant challenge for cities to store, manage and dispose of waste materials.⁴⁹ With the risk of landfills reaching full capacity in the coming decade, the Saudi government has taken note and efforts are being put in place to improve waste management.

Figure 20. Percentage of household waste disposal through sanitary landfills by region, 2020

Source: MoMRAH Statistics Department at the Center for Business Intelligence and Decision Support (via the National Urban Observatory), 2020.



Initiative for Waste Management in Jubail Industrial City – The Royal Commission for Jubail and Yanbu has launched a new initiative for the management of clean-up operations in Jubail Industrial City. The aim of the initiative is to free the city from waste through smart transformation in waste management and disposal. The initiative also contributes to raising environmental conservation levels, extending the lifespan of landfills and activating programs for recycling and waste conversion into energy. The landfill, for example, has been designed in a way that it encourages safe and environmentally friendly disposal of waste and recycling. This is done through the application of new technologies for monitoring waste through sample analysis of groundwater and measurement of gases. This then informs the optimal uses and recycling opportunities. Between 2010 and 2017, recycling as a waste disposal method has increased from 34 percent to 51 percent, with significant reductions in the amount of waste that is incinerated or ends up in landfills. Awareness promotion campaigns have also been an important tool in the reduction of waste and the minimization of environmental impacts.⁵⁰



National Center for Waste Management – The National Center for Waste Management was established with the aim of regulating and supervising waste activities, while stimulating investment in the areas of waste collection and management. With landfills reaching full capacity in many parts of the country, one of the primary objectives of the Center is to reduce waste disposal and encourage resource recovery. This is to be achieved by introducing new approaches and techniques that leverage innovations such as artificial intelligence. In doing so, the Center aims to advance the Kingdom's progress towards the Sustainable Development Goals and contribute to the creation of a modern circular economy. By effectively regulating the waste management sector, the Center also aims to increase public awareness about waste reduction, promote reuse and recycling and improve the quality of services across the entire value chain.⁵¹

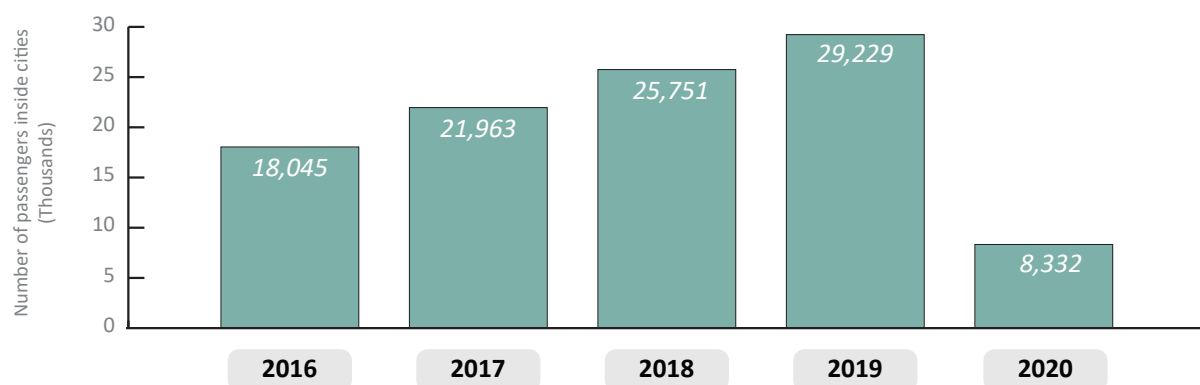
ENSURE ACCESS TO SAFE AND EFFICIENT PUBLIC TRANSPORT SYSTEMS

In recent years, the Kingdom of Saudi Arabia has been committed to upgrading its transportation infrastructure. This can be seen in its commitments outlined in the Vision 2030 strategy, which aims to improve local, regional and international connectivity of trade and transportation networks. In 2018 alone, the Kingdom has committed more than SAR 54 billion from the state budget to developing and upgrading its infrastructure and transportation systems.⁵²

Public transportation is particularly important due in part to its role in alleviating traffic congestion and other urban transportation problems in the Kingdom. In addition to this, it provides a sustainable, suitable, low-cost transportation option that could serve the citizens and the visitors more efficiently. It also has the added benefit in that it diversifies the transportation options in the city more effectively and more appropriately. In line with the Kingdom's Vision 2030, the Public Transportation Authority is developing ambitious projects in order to provide integrated, safe, efficient and sustainable public transportation. Initiatives include the preparation of studies and regulatory policies, the development of systems and regulations, setting standards and requirements for all modes of transportation.⁵³

Figure 21 indicates the growing demand for public transportation options within the Kingdom of Saudi Arabia. As can be seen, the number of bus passengers inside cities has increased from 18 million in 2016 to 29 million in 2019, illustrating a 62 percent increase. It is worth noting that the significant decline in bus passengers in 2020 is a result of the COVID-19 pandemic and the subsequent restrictions put in place to limit exposure. To respond to the growing desire for public transportation solutions, the government approved the Regulatory Framework for Public Transport Projects Number 680 in June 2022 to advance public transportation plans and projects in regions, cities and governorates throughout the Kingdom.

Figure 21. Number of bus passengers inside cities, 2016-2020

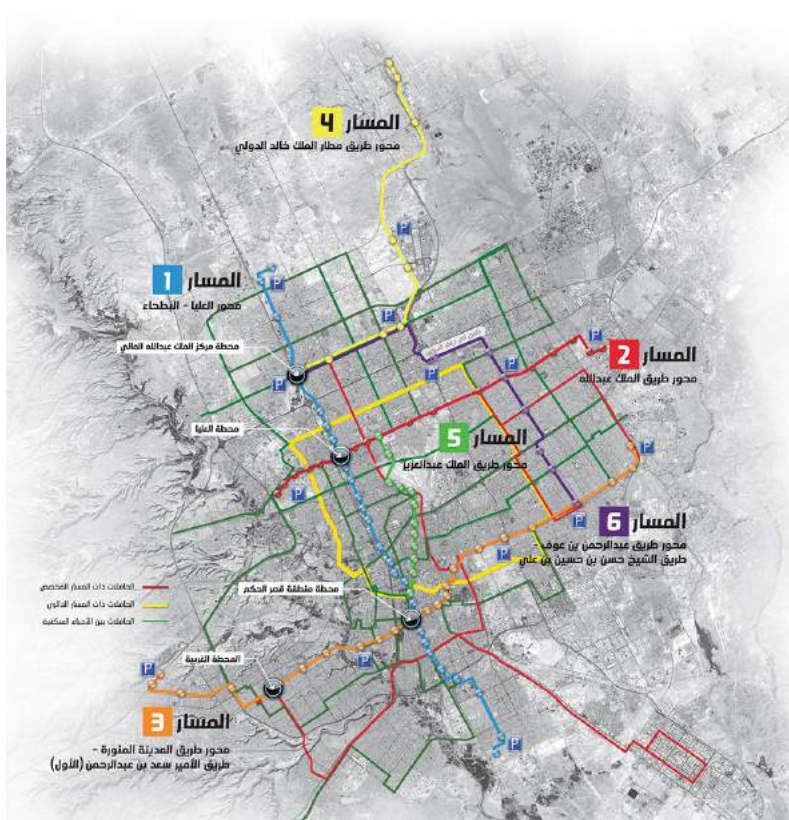


Source: Annual Reports of Ministry of Transportation and Annual Reports of SAPTCO, various years.

The following are examples of some of the more transformative public transportation projects currently taking place in the Kingdom.



King Abdulaziz Project for Public Transport – In the past twenty years, Riyadh city has witnessed a considerable increase in population growth accompanied by a rise in the level of car ownership. Consequently, this has resulted in significant traffic congestion. The emergence of public transportation is seen as a viable means to reduce the high dependence on private cars, while also reducing the impact of traffic volume on the road network and decreasing fuel consumption and vehicle emissions in the process. The High Commission of the Development of Arriyadh introduced the King Abdulaziz Integrated Public Transport Project within the framework of the Metropolitan Strategic Plan for Riyadh. With a total length of 176 kilometers and comprising 85 stations, the metro network will cover most of the densely populated areas in Riyadh including residential and commercial areas, public facilities and educational and medical institutions. The network will also provide access to major attractions such as King Khalid International Airport and King Abdullah Financial District and Riyadh’s main universities. In addition to this, the project will also include 25 park and ride locations that work as first mile – last mile connectivity points to allow people to transfer from their private car to the metro in a seamless way. To give the project a unique identity, stations were designed according to a distinctive and unified architectural pattern. In addition, trains will run automatically and will be equipped with a passenger information system and internet access provided on board. The initial serving capacity of the metro system is expected to be more than one-million passengers daily. To compliment this, there will be 24 bus rapid transit lines totaling 1,200 km with 6,700 bus stops across Riyadh. The fleet itself will consist of 1,000 buses with a total carrying capacity of 900 thousand passengers per day. While the project officially began construction in April 2014 and was expected to open in 2020; the COVID-19 pandemic created unexpected delays and the project is now expected to open in 2022.^{54, 55}



©Royal Commission for Riyadh City





Expansion of the Rail Transport Sector – In recent years, rail transport has been seen as a viable alternative to the private car and as a solution for reducing congestion in cities. Mecca for instance, in addition to its daily population of 1.7 million, attracts more than 2.5 million visitors every year to perform Hajj and Umrah. Unfortunately, limited options for transportation exist, meaning that most people rely on the use of a private car. This results in considerable traffic congestion and pollution from vehicle emissions. The Haramain Express Train was conceived to assist the increasing number of pilgrims visiting Mecca, Umrah performers, and the people of the city to overcome these transportation challenges and to provide them with more flexible and sustainable transportation options. The project, which connects Jeddah City (the airport), Mecca, Madinah, and King Abdullah Economic City in Rabigh, was inaugurated in September of 2018. The train itself functions at a speed of 300km/hour and operates on more than 450 km of track. Its capacity is expected to reach up to 6 million riders/year via a fleet of 35 trains. In addition to this, in the same year, the Saudi Railway Company opened a line connecting Al-Jouf station in the North with Riyadh (passing by Majmaa, Qassim, and Hael) to provide a way of connecting the Northern parts of the country with the rest of the Kingdom as an alternative to private vehicle travel. The use of trains is proving to be a more efficient and sustainable transport solution and a preferred mode of travel among many.⁵⁶

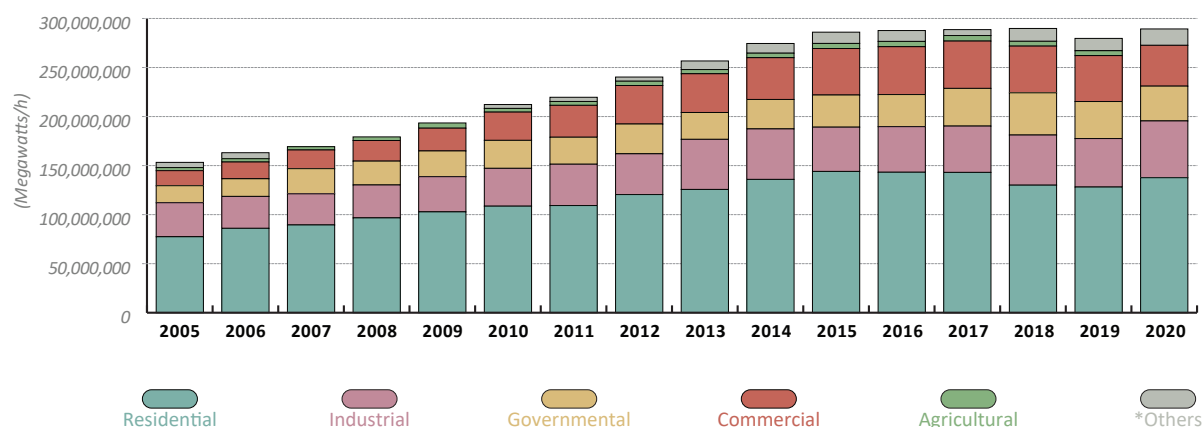
Saudi Arabia has launched the Haramain high-speed train, which connects Jeddah Airport with Makkah and Madinah, and is considered to be the latest and one of the most significant means of transportation between Makkah & Madinah.

Source: Kingdom of Saudi Arabia's Vision 2030

Transportation during COVID-19 – As part of its relentless efforts to control and limit the spread of the novel coronavirus pandemic (COVID-19) and to protect the health of citizens and residents, the Kingdom took a pioneering role in implementing cautionary measures. During the peak of the pandemic, the government suspended all public transportation measures. When it resumed, measures were put in place to reduce the public transportation ridership per bus/train to 50 percent capacity per trip and online payments were accepted instead of cash to limit contact. To maintain passenger safety, buses/trains were sterilized after each trip. In addition to this, social distancing was required inside buses/trains and also inside the departure and arrival halls at all stations. Efforts were made to raise the awareness of the pandemic by communicating the new protocols in multiple languages (Arabic, English and Urdu) through social media and text messaging services directed to the passengers of buses, taxis, and rental services.⁵⁷

ACCESS TO MODERN RENEWABLE ENERGY

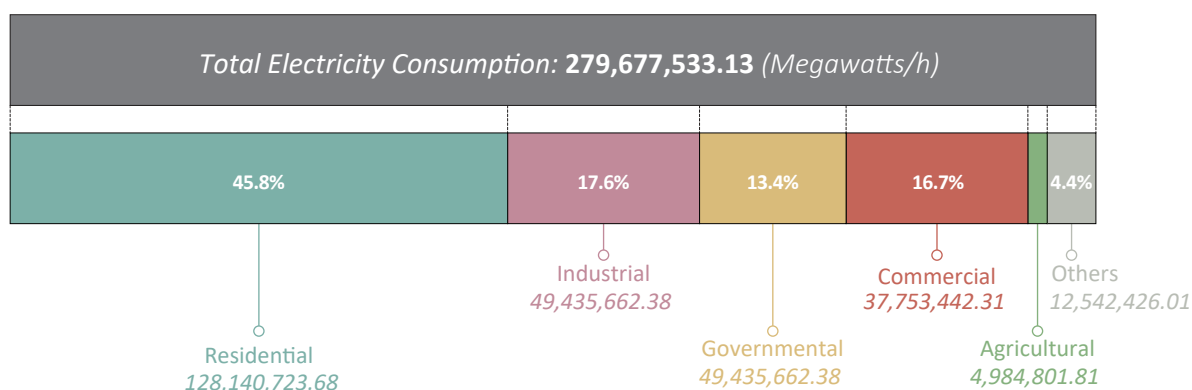
Driven by population growth and economic development, the Kingdom of Saudi Arabia is experiencing increases in the demand for energy. As can be seen in Figure 22, electricity consumption has been on the rise having increased from 153 million megawatts/h in 2005 to 289 million megawatts/h in 2020. Due in part to shifts in government policy, more environmentally conscious behaviors and the use of energy efficient products, consumption levels have begun to stabilize in recent years. Air conditioners, for example, which tend to be one of the more energy intensive products in the country, have become more efficient, resulting in lower levels of overall energy consumption.⁵⁸

Figure 22. Total electricity consumption by type, 2005-2020

* Includes consumption for educational, health and desalination purposes.

Source: Saudi Central Bank (SAMA), Annual Statistics, 2020.

Figure 23 shows a more detailed breakdown of the distribution of electricity consumption by sector for 2019. According to this, the majority of electricity consumption comes from the residential sector (45.8 percent), followed by the industrial sector (17.6 percent), the commercial sector (16.7 percent) and the governmental sector (13.4 percent).

Figure 23. Distribution of electricity consumption by type, 2019

Source: Saudi Central Bank (SAMA), Annual Statistics, 2020.

Unfortunately, fossil fuels are the dominant source of energy in the Kingdom. This comes with environmental concerns due to the large Green House Gas (GHG) emissions that accompany production. Alongside the growing demand for energy, however, the government is promoting the diversification of energy sources, emphasizing their commitment to cleaner energy solutions. This is being directed by the Renewable Energy Project Development Office, which is responsible for all the renewable energy initiatives in the Kingdom. As part of this approach, efforts are currently underway to reduce the reliance on energy produced by fossil fuels and instead invest in new technologies that generate more progressive forms of alternative energy – renewable or nuclear energy.

One area where significant progress has been made is in the form of solar energy. Saudi Arabia is located in what is considered the ‘Global Sunbelt’, which makes it ideal for both solar and wind initiatives. Such forms of production can produce energy with nearly zero greenhouse gas emissions and without rising air pollution. It is also expected that the growth of this sector will lead to new and promising employment opportunities. In addition to this, modern technologies have also made it possible to produce electricity as a byproduct of the desalination process. Desalination requires a significant amount of electricity which is currently being provided by fossil fuels. Other alternative sources of energy supply that offer promise include biomass production from agricultural waste. A shift towards alternative sources of energy is seen as an opportunity to free up large amounts of petroleum for export while further reducing the environmental impact in the process. Unfortunately, few households have committed to using renewable sources of energy such as solar or agricultural waste. Despite this, the government continues to explore ways in which these more sustainable forms of electricity can be incorporated into the plans and strategies of the Kingdom as well as the everyday lives of individuals. The following are examples of a few major initiatives that are currently underway in the Kingdom.



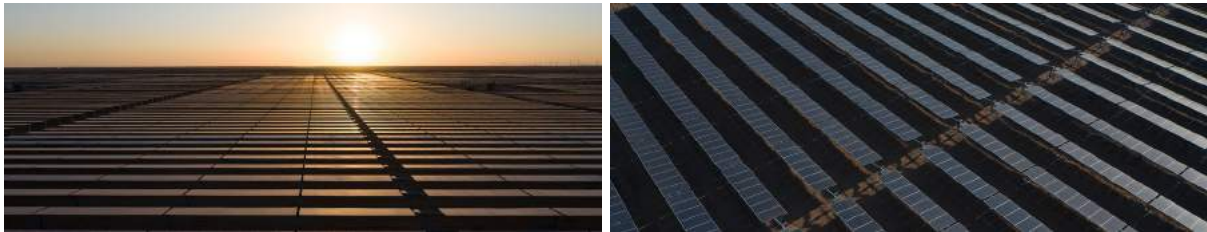
King Salman Energy Park (SPARK) – The King Salman Energy Park is a 15 square kilometer megaproject city. As part of Vision 2030, this project, which includes a fully integrated industrial ecosystem, aims to harness the full potential of the Kingdom’s energy resources and situate Saudi Arabia at the forefront of the global energy sector. To date, the project has attracted both foreign and domestic investment in the Kingdom’s energy sector, including in the manufacturing of goods and services and the promotion of technological developments. It also intends to create up to 100,000 direct and indirect jobs annually, contributing over USD 6 billion to the GDP of the Kingdom in the process. In that way, it achieves the dual purpose of integrating sustainable energy production while diversifying revenue streams. In addition to this, SPARK is the first and only industrial city in the world that has been awarded a silver LEED certificate.^{59, 60}



©SPARK



Sakaka Solar Power Plant Project – Sakaka Solar Power Plant is a 300 million watt photovoltaic (PV) solar project that was inaugurated in April 2021 by ACWA Power, which is a developer, investor and operator of power generation and desalinated water plants. The project comprises six square kilometers of land and consists of 1.2 million solar panels. One of the primary objectives of the project is to generate 58.7GW of renewable energy by 2030. To do so, the power plant is connected to the national electricity grid and aims to supply enough energy to power 44,000 households while reducing CO2 emissions by 423,000 tons each year. Accordingly, more than 50 million barrels of diesel will be saved during the project’s lifetime. Above that, the project is also contributing to the domestic workforce as the construction phase alone has already created roughly 400 jobs. Nearly all of the operations team for the Sakaka Plant in Saudi Arabia are Saudi Nationals and nearly 90 percent of its members are from the specific region where the plant is located.⁶¹



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The “Sakaka Solar Power Station” is the first project in a series of renewable energy projects in the Kingdom with a production capacity of 300 megawatts and a standard tariff of 8.78 halalas per kilowatt per hour equivalent.

Source: Kingdom of Saudi Arabia's Vision 2030



المركز السعودي لكفاءة الطاقة
Saudi Energy Efficiency Center

Saudi Energy Efficiency Center (SEEC) – The Saudi Energy Efficiency Center is a national government center that is responsible for streamlining and raising energy efficiency in the Kingdom. In addition to this, it aims to unify efforts between governmental and non-governmental entities in this field. SEEC’s key functions revolve around developing national programs for energy efficiency and defining relevant indicators, goals, plans and policies. Furthermore, the center seeks to promote investment, development of businesses and local content in the field of energy efficiency. In 2020, the total savings in primary energy from energy efficiency initiatives amounted to 357 thousand barrels of oil per day, with an estimated improvement of 9.7 percent compared to 2019. Moreover, the total emissions reduced from energy efficiency initiatives amounted to 48 million tons of carbon dioxide equivalent, an increase of 1.9% compared to 2019. Training and capacity building, providing consultations in the theme of energy efficiency and spreading awareness of the importance of raising the efficiency of energy consumption and production are important targets for the Center.⁶²

ENDNOTES

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1.2.1 INCLUSIVE URBAN ECONOMY



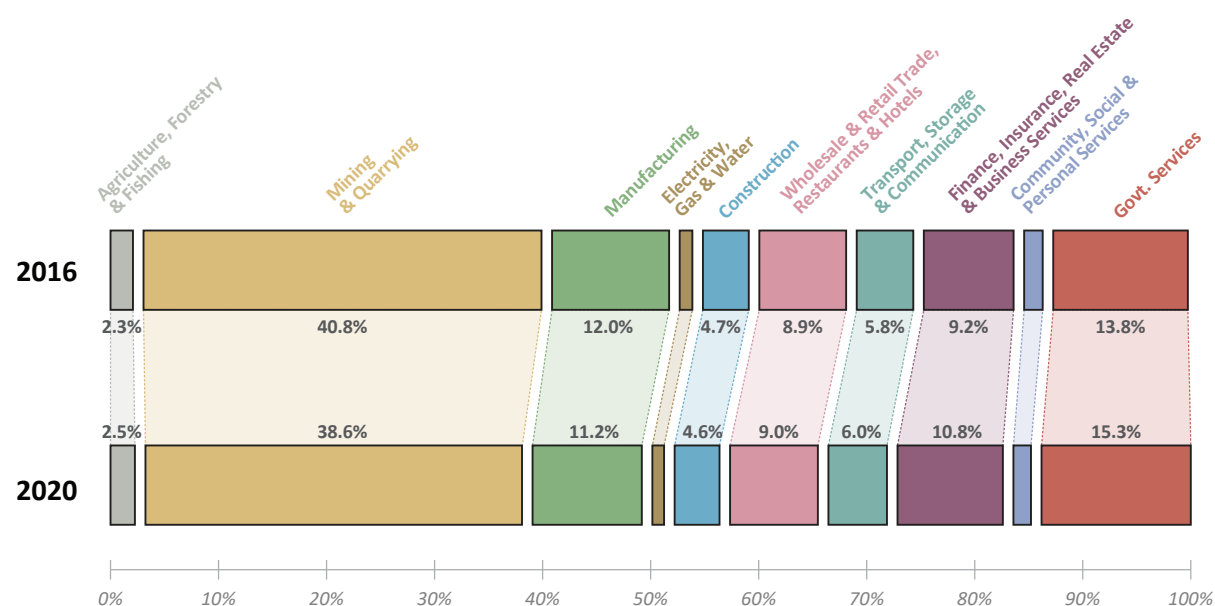
In terms of economic development, the Kingdom of Saudi Arabia has undergone a significant transformation in recent years. Evidence of this can be seen in the growth in the number of new sectors, new opportunities presented by the country's abundance of natural resources and its diverse geographical and cultural landscape. This, however, has not occurred on its own. Instead, it is the result of carefully synchronized economic and financial reforms, which have been aimed at improving the business environment and promoting economic growth while preserving stability and financial sustainability in the process.

Since the launch of Vision 2030, Saudi Arabia has been successful at putting in place important initiatives and reforms to enable its economic transformation. This includes projects around enhancing local content, national industry, launching and developing promising economic sectors, and establishing an enabling environment aimed at maximizing the role of the private sector and SMEs and enhancing the sustainability of public finances.⁶³ Such reforms proved their value in safeguarding the Kingdom during the recent COVID-19 pandemic, while also demonstrating the resilience of the economy in the process. Today, Saudi Arabia is supported by a highly skilled labor force, a strong financial system and several industry leading companies, all of which are helping to position itself as a major player on the global economic landscape.

According to the world bank report on ease of doing business, the Kingdom of Saudi Arabia is ranked first in the world in business environment reforms.

Source: Kingdom of Saudi Arabia's Vision 2030

Central to a diversified economy and a burgeoning labor force is the important role of urban areas. Research shows that urban areas are comparatively more productive than their rural counterparts and account for a greater portion of a country's GDP; this is due to the benefits that accrue from agglomeration and economies of scale. In the context of Saudi Arabia, cities are increasingly becoming the backbone of the country's economic growth and are also fundamental to the country's efforts to diversify its economy and reduce its reliance on the oil sector, which due to international commodity prices has been subject to frequent ebbs and flows over the years. Figure 24 depicts the share of GDP by type of economic activity between 2016 and 2020. In 2016, the Mining and Quarrying sector, which includes the oil and gas industry, accounted for 40.8 percent of the country's GDP, however, by 2020 this figure declined to 38.6 percent. The sectors that experienced the greatest growth included Finance, Insurance, Real Estate & Business Services (17.4 percent increase) and Government Services (10.9 percent increase); all of which are found primarily in urban areas. Cities, which tend to be home to employment opportunities in areas such as financial & business services, retail activities and construction, therefore represent an important platform for economic diversification opportunities in the country.

Figure 24. Share of GDP by Type of Economic Activity, 2016-2020

Source: Saudi Central Bank (SAMA), Annual Statistics, 2020.

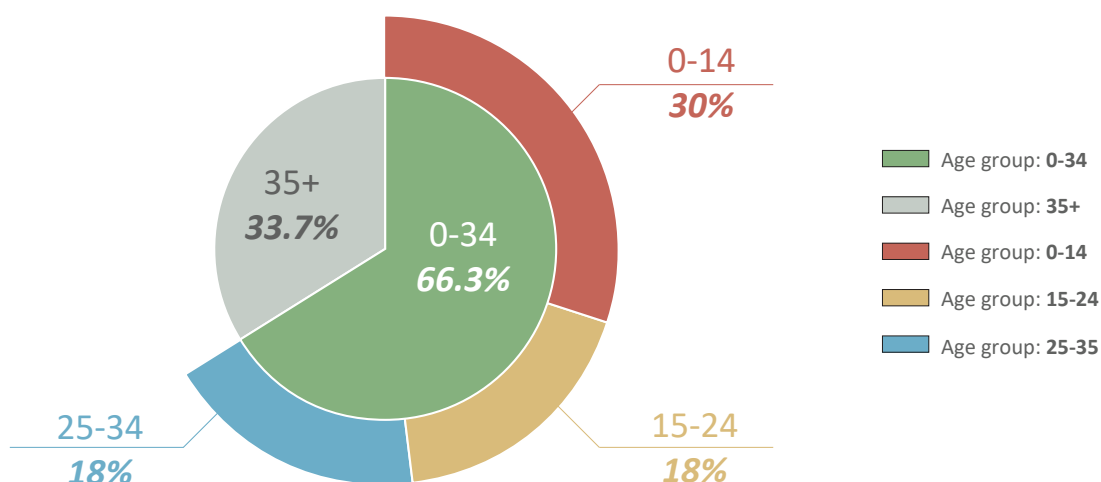
Note: Prices for this data are recorded in producer values at constant prices (2010=100).

The establishment of an attractive environment for domestic and international investment is an important priority of Vision 2030 and central to the future economic wellbeing of the Kingdom. With fewer employment opportunities outside of urban areas, investment in Saudi Arabia's cities becomes an increasingly attractive option to position itself to build a more robust and resilient economy. Despite this, rural areas also play an important role in the Kingdom's economy. They serve as essential components in the Kingdom's supply chains and are increasingly becoming desirable destinations for recreation and leisure activities. Identifying and leveraging the competitive advantages in cities and regions will be an essential part of the Kingdom's ambitions to diversify the economy.

ACHIEVE PRODUCTIVE EMPLOYMENT FOR ALL INCLUDING YOUTH

To support the diversification of Saudi Arabia's economy and the Kingdom's aspirations to attract investment in new industries, efforts have been underway to bolster Saudi Arabia's labor force. While many countries around the world are currently struggling with an aging population, Saudi Arabia, with approximately 66 percent of its population under the age of 35, is currently experiencing a demographic dividend (as can be seen in Figure 25). With younger populations considered to be adaptable to change and better situated to take advantage of the opportunities presented by new innovations and technological advancements, Saudi Arabia considers itself to be well positioned for the future.

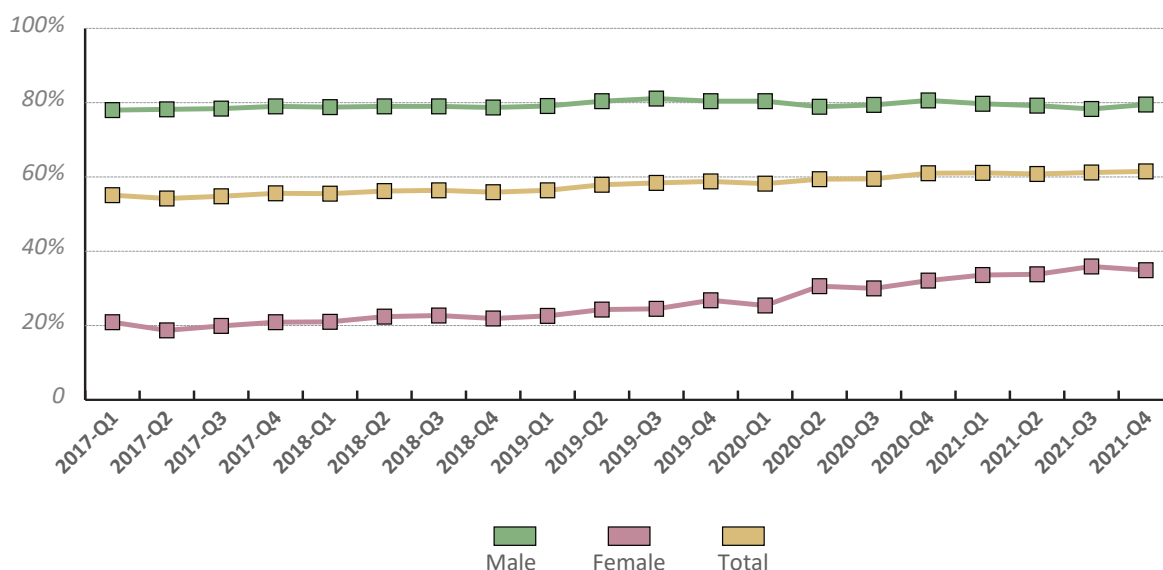
Figure 25. Percentage of youth and children in the Saudi population, 2021



Source: Estimated population for the middle of 2021, GASTAT, 2021

In addition to this, Saudi Arabia’s female labor force offers significant potential for growth. While historically, labor force participation rates among females were low, largely due to a number of social and legislative barriers, in recent years efforts have been made to improve working conditions and increase access to employment opportunities among the female population. As can be seen in Figure 26, labor force participation rates among the female population have risen from 20.9 percent in Q1-2017 to 34.9 percent in Q4-2021, while labor force participation rates among males have gone relatively unchanged.

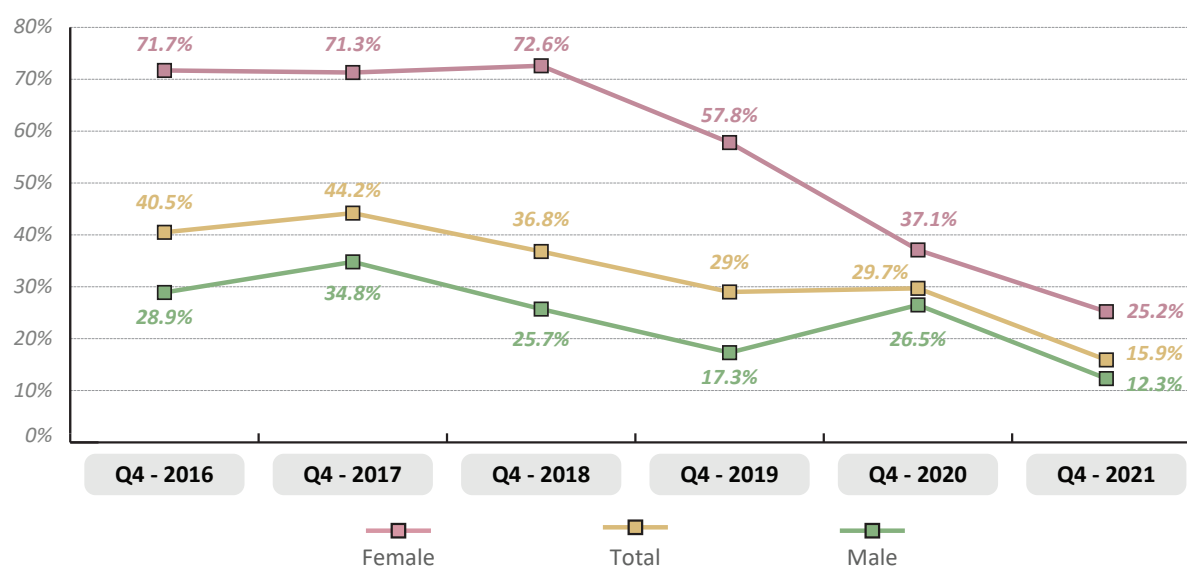
Figure 26. Labor force participation rates, 2017-2021



Source: Labor Market Statistics, GASTAT, 2021 (Q4)

Despite this, the future of Saudi Arabia's workforce is not without its challenges. While diversification of the economy will rely on the country's ability to create opportunities in new sectors, it will also rely on matching those opportunities with the right skillsets. For this to occur, the government is working to address mismatches and disparities in the labor sector. This can be seen in the notable reduction in youth unemployment in recent years. Figure 27 illustrates that youth unemployment has declined from a high of 44.2 percent in 2017 to a low of 15.9 percent in 2021. The most noticeable declines can be seen in the female population, decreasing from 71.7 percent in 2016 to 25.2 percent in 2021. While this is evidence of progress being made, there is still significant work to be done.

Figure 27. Unemployment rate for Saudi youth (age 15-24), 2016-2021



Source: Saudi Youth in Numbers Report, GA Stat, 2020

According to the Global Youth Index Report, 2022, developed by Misk: Mohammed Bin Salman Foundation, the Kingdom of Saudi Arabia ranks 17th overall in the index and 2nd in the group of Middle Eastern and Northern African countries examined. The index provides a measure of how countries are building the foundations for success through opportunities for youth and areas of improvement. The index provides scores on topics such as innovation capacity, entrepreneurship and employability, education and skills, health and wellbeing among others. While Saudi Arabia scores high on measures of infrastructure and connectivity and education and skills, there is room for improvement when it comes to entrepreneurship and employability.⁶⁴ To improve on its rankings and to reduce the gap between the existing talent pool and employment opportunities, the Kingdom of Saudi Arabia is committed to upscaling the skills and opportunities available to its youth. The following are several programs that have been put in place to help achieve this.



Saudi Nationalization Scheme (Nitaqat) – The Saudi Nationalization Scheme is an initiative established by the Ministry of Human Resources and Social Development (MHRSD). The aim of the initiative is to increase the number of Saudi nationals that fill certain positions in the labor force and to establish a minimum wage for Saudis. Under the program, a company's percentage of Saudization determines whether it is placed within the Premium, Green, Yellow or Red categories. Consequently, incentives are offered (and penalties are levied) based on the category in which

a company falls. The second version of the Nitaqat was recently launched by the MHRSD with a number of refined aims: 1) to develop and implement a three-year localization plan with the intent of improving the institutional stability of 340,000 private sector jobs by 2024; 2) to calculate localization rates based on the number of employees rather than classifying institutions by size; and, 3) to make the program simpler and improve the client experience by minimizing the grouping of activities from 85 to 32 options.^{65,66}



Tamheer Program – The Tamheer Program is an on-the-job training program for Saudi graduates who hold a bachelor’s degree, diploma or master’s degree from a local or international university, institute or college, irrespective of their age and work experience. The purpose of the project is to expose new graduates to career opportunities and ensure that they are provided with the sufficient on-the-job training that is necessary to equip them to seek employment in their chosen career path. During their training, participants are placed within government institutions, distinguished companies and international organizations that are operating within the Kingdom. To qualify, applicants should not be registered in the social insurance system or the Ministry of Human Resources and Social Development for at least six months prior to registering in this program. The number of eligible Saudi university graduates that received training and on-the-job scholarships reached 3,072 beneficiaries during the third quarter of 2019, including 538 male trainees and 2,534 female trainees.⁶⁷

Four articles of the labor system have been amended to increase the number of Saudis entering the labor market, and two articles have been deleted with the aim of empowering women economically, supporting them in doing business without discrimination, applying the regulation of the work environment to protect all groups, and expanding options for the private sector to employ women.

Source: Kingdom of Saudi Arabia's Vision 2030



Public Investment Fund – The Public investment Fund (PIF) is a governmental financial arm established to contribute to the advancement of Vision 2030 by investing in non-oil growth sectors. Through local and international investment, the fund provides support for development endeavors and economic diversification, with the goal of maximizing sustainable revenue. PIF investment opportunities span a number of different sectors including transport and logistics, food and agriculture, construction, entertainment, real estate, healthcare, telecommunications and so on. Its diversified portfolio of leading investments makes PIF the largest sovereign fund worldwide. According to the PIF’s Vision Realization Program, which covers the years 2021-2025, the program will invest at least USD 40 billion every year into the Saudi economy until the end of the decade. This is equivalent to approximately 5 percent of Saudi Arabia’s GDP. Its portfolio companies will also contribute USD 320 billions of GDP and create 1.8 million jobs over that period. Other areas PIF aims to contribute include stabilizing Saudi Arabia’s revenue streams, preserving Saudi Arabia’s large companies, boosting innovation and technological advancements, promoting and growing tourism, and supporting small and medium size businesses. Additionally, through the PIF Graduate Development Program, the fund also aims to cultivate young talent by providing a platform for graduate recruitment and long-term professional career excellence.⁶⁸

SUPPORT THE INFORMAL ECONOMY

Labor force participation rates and unemployment levels only provide a partial outlook of the economic landscape of a country. In addition to this, most countries also have an active informal economy. While in lower income countries this tends to represent a notable portion of a country's GDP, in the case of higher income countries like Saudi Arabia, this is to a lesser extent. Descriptions of the informal economy are often wide in scope, with some definitions referring to street vendors, waste pickers and hawkers, while other definitions may include more mainstream forms of employment conducted by unregistered migrants, stay at home parents or retirees.

In the context of Saudi Arabia, there are no official means of determining or recording the number of individuals engaged in informal employment. There are several sectors where businesses are more likely to operate without the proper registration and licensing. While the reason for this may be to avoid having to adhere to the rules and regulations, another explanation is that navigating the bureaucratic landscape is often complex and time consuming for those without the resources to do so. To address the latter, the government has made a concerted effort to remove unnecessary levels of bureaucracy and to ensure that all the information needed to register a business is available to the public. Additionally, as part of Vision 2030, efforts are being made to support productive families, particularly low-income households, by providing services and creating income-generating opportunities (ie. handicrafts, textiles, traditional foods, etc.) to further participation in the local economy.



Freelance Program – In line with Vision 2030, the Freelance program was launched by the Ministry of Human Resources and Social Development to promote the diversification of opportunities for job seekers to practice self-employment. Moreover, the program seeks to increase awareness of the community about the concept of self-employment and the available opportunities for those interested, as well as enhancing the level of safety and reliability in the freelancing sphere. The program targets those who are looking for income opportunities, self-employed workers, and others interested in applying their skills and experience in appropriate, stable and productive occupations. An important component of the Freelance Program is the 'Freelance Certificate', which is a document approved by the Ministry of Human Resources and Social Development that grants certification to freelancers who wish to work independently in activities approved by the Ministry. In addition to providing stability to self-employed workers, the certificate program also offers access to commercial bank accounts and enables freelancers to register in social insurance schemes and apply for self-employment financing products provided by the Social Development Bank. Application for certificates can be accessed through the online portal for self-employment.⁶⁹



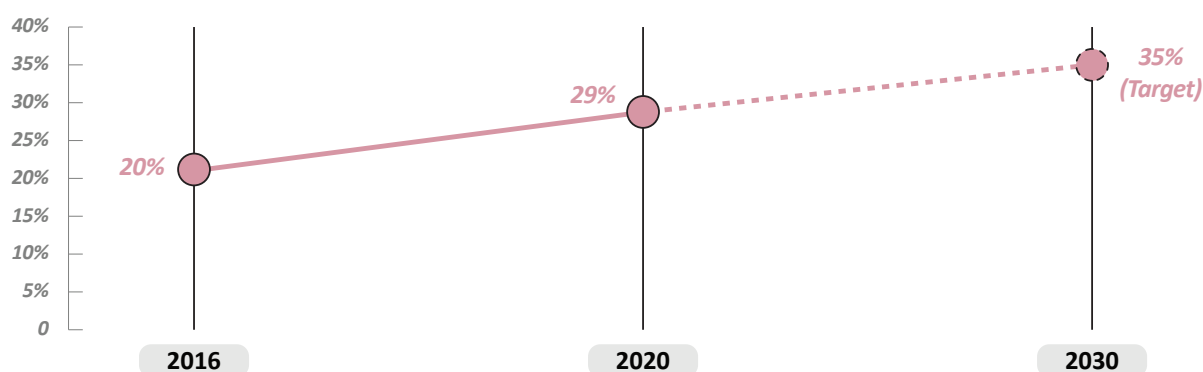
Jeddah Mobile Food Vendors – Previously, businesses had few options to sell food outside of the more conventional restaurant setting. In 2018, the Jeddah Municipality sought to create new opportunities in the food trade by transforming street vendors into mobile businesses and increasing their opportunities to generate profits. This involved creating a simplified registration process, establishing safety standards and controls, and identifying sites for food trucks to establish their operations. Given that this industry was new and not so well established, efforts have been made to remove barriers to entry, including examining the processes to establish a business, finding manufacturers of mobile food carts and providing financial support through grants and financial assistance to those just starting out. Some operators have even begun to undertake training, such as barista courses, to professionalize their services. Since this initiative began in 2016, there have been 418 licenses granted to males and females to establish themselves as mobile food vendors.⁷⁰

SUPPORT SMALL AND MEDIUM SIZED ENTERPRISES

Small and Medium sized Enterprises (SMEs) are among the most important agents of economic growth – they create jobs, support innovation and boost exports. One of the strategic objectives of Vision 2030 is to grow SMEs contribution to the economy. The recently established SME Authority, for example, has been created to review existing laws and regulations, remove obstacles, facilitate access to funding and enable youth and entrepreneurs to introduce their products. Additionally, the Industrial Innovation Centers Program seeks to support the need for technology-based SMEs in the field of innovation and support their research and development capabilities.

While SMEs are an important component of the economy, they have not yet achieved their full potential. Currently, SMEs represent only a minor portion of the country's GDP. As can be seen in Figure 28, in 2017 SMEs accounted for only 21 percent of Saudi Arabia's GDP, however, by 2020 this figure increased to 29 percent, with ambitions to continue to grow this figure to 35 percent by 2030. While significant progress is underway, there is still plenty of room to grow the contribution of SMEs. According to the OECD (2017), in some advanced countries, for example, SMEs account for 60-70 percent of employment and up to 70 percent of value added.⁷¹

Figure 28. Percentage of relative contribution of Small and Medium Enterprises to GDP



Source: Second Quarter Report 'Mansha'at, 2020

Despite efforts to improve the business environment in the Kingdom, slow and complex legal and administrative procedures have hindered SMEs progress and they have also struggled to attract the required skills and funding.⁷² In addition to all this, the COVID-19 global pandemic left many SMEs in a vulnerable state. Despite this, SMEs are seen as an important driver of economic growth in the Kingdom and the government is committed to bolstering their contribution.



Funding Gate – Designed by the General Authority for Small and Medium Enterprises (Monsha'at), 'Funding Gate' is an electronic platform that connects small and medium-sized enterprises wishing to obtain financing from government and private institutions. As such, it aims to provide the required financing to SMEs in a quick, effective and efficient manner. From submitting inquiries to delivering the required financing, the platform aims to fully automate the lending process. The platform also operates as a reliable source of information to assist enterprises to learn more about the latest trends in regional markets and economic sectors. Funding Gate, which

has helped more than 2,772 companies so far, is one of the most prominent financial technology solutions in the Kingdom. Between December 2020 and 2021 it has reduced the average service delivery time from 86 to 35 days.⁷³

Saudi Arabia has supported the financing of small and medium enterprises by launching the “indirect lending initiative”, bringing the number of beneficiaries to 611 establishments with an amount of SAR 642 million

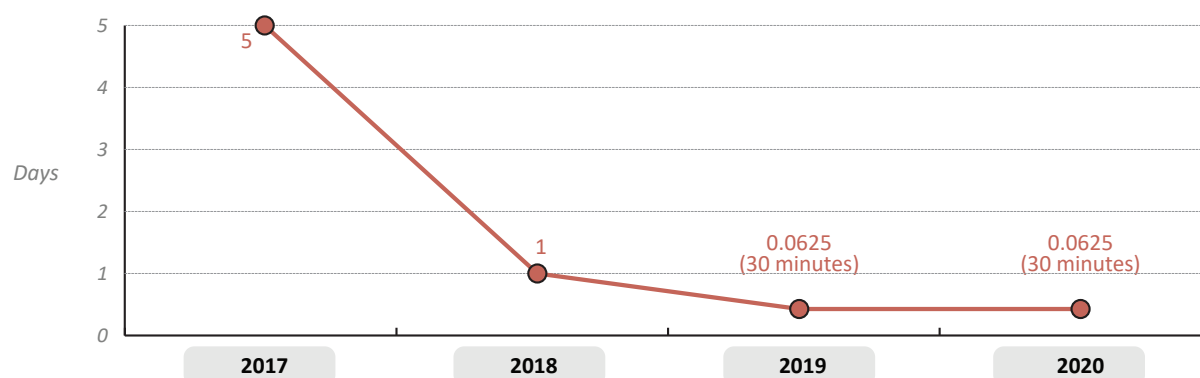
Source: Kingdom of Saudi Arabia's Vision 2030

PROMOTE AN ENABLING, FAIR AND RESPONSIBLE ENVIRONMENT FOR BUSINESS & INNOVATION

As part of Vision 2030, the Kingdom of Saudi Arabia is putting in place the necessary measures to not only build a productive economy but also to promote an enabling, fair and responsible environment for business and innovation. While the private sector is most often associated with competitiveness and productivity in the Kingdom, the public sector has played an important role in establishing an enabling framework for building a modern economy. This has involved establishing the rules of the game for promoting fair competition and responsible business practices, removing unnecessary processes that often hinder innovation and creating an attractive investment climate to bolster new opportunities.

In recent years, the government has made a strong effort to streamline processes and reduce the amount of bureaucratic red tape that the private sector has been required to navigate when doing business. Examples of this include ensuring that information is more accessible, cutting down on the number of steps required to set up a business and streamlining the approval process. In addition to this, the government has sought out opportunities to innovate by introducing new online platforms and portals to ensure that business owners have easy access to the information they require to make more informed decisions. One indicator for measuring success in this area is the time required to start a business. As can be seen in Figure 29, in the context of Saudi Arabia, the number of days required to start a business has drastically decreased from 5 days in 2017 to less than 30 minutes in 2020.

Figure 29. Time required for business registration (days), 2017-2020



Source: MoMRAH National Urban Observatory, various years

Previously the administrative environment in Saudi Arabia was difficult to navigate, backlogs existed due to limited access to information and a centralization of decision-making power. This resulted in bottlenecks and considerable delays when it came to setting up a business. By creating a one-stop-shop for individuals to go for their business needs and centralizing information via an online portal, the government was able to overcome these barriers and streamline the process; effectively minimizing the administrative procedures and reducing wait times. Such efforts have also helped to improve transparency and establish trust within the business community. The following are some examples of initiatives that have led to a more enabling business environment in the Kingdom of Saudi Arabia.



Digital Transformation Unit – In 2017, the Ministry of Communications and Information Technology established the Digital Transformation Unit with the aim of building up the digital capacities of the nation. The Digital Transformation Unit is tasked with leading the digital transformation in all areas of the Kingdom and to accelerate efforts to achieve the Vision 2030 objectives. A key component of this is to advance the digital economy by engaging businesses and improving competitiveness through the creation of knowledge-based jobs, provision of better services and creating partnerships in all areas of technology and innovation. It also contributes to investment in cross-sector enabling policies and the establishment of portals and other vital infrastructure. Additionally, the e-government program aims to increase public sector capacity and enable better and streamlined services for individuals and businesses.⁷⁴



Meras – Meras is a government program under the Saudi Business Center, which aims to support business owners by informing them of the necessary steps and procedures to establish and manage their business in Saudi Arabia. Meras provides a high-quality integrated service through an online and physical one-stop-shop and covers all the necessary government and private sector services that are required to start a business in one day. The e-services platform is a unified platform consolidating all business support services offered by government agencies. The platform currently offers several e-services, including issuing commercial registration, membership certificates with the chamber of commerce, opening a tax file with the General Authority for Zakat and Tax, opening a file with the General Organization for Social Insurance, among many other services. Meras is being developed over several phases to include all types of services that facilitate business owners to establish and manage their business.⁷⁵

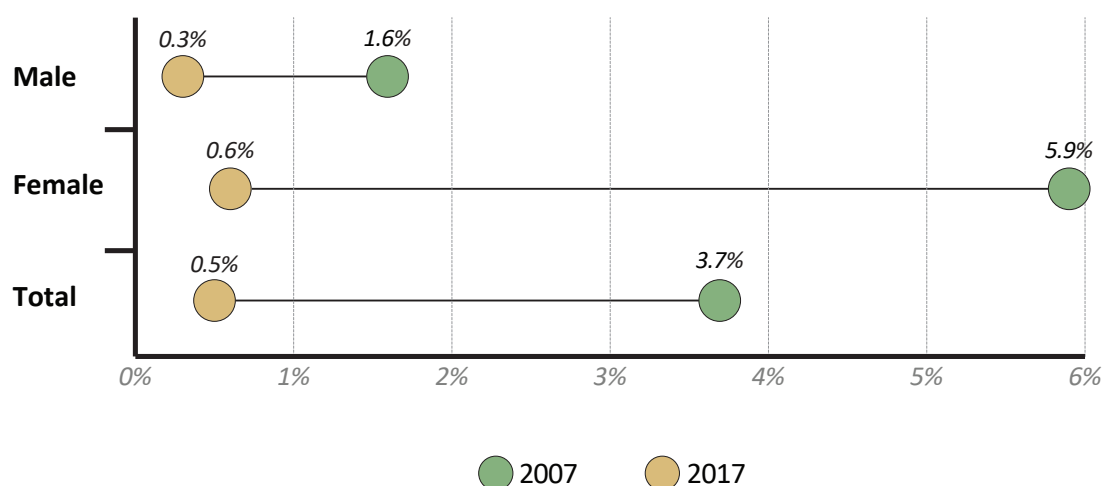


1.2.2 SUSTAINABLE PROSPERITY FOR ALL



If the past few years have demonstrated anything, it is that the world is constantly changing, and that past success is not an indication of future success. For Saudi Arabia to succeed in the future it needs to not only focus on the sectors where it holds competitive advantages today, but also to invest in its labor force to position itself to take advantage of new opportunities in the future. This involves investment in education and training programs. By equipping the population with the skills to achieve their personal goals, Saudi Arabia is reinforcing its ability to generate new jobs and safeguard its economy for the future. While many countries around the world are suffering from an aging population and a shrinking labor force, Saudi Arabia is blessed with a young and increasingly skilled population. As mentioned above, approximately 66 percent of Saudi Arabia's population is under the age of 35, making it a particularly youthful demographic. Not only is the population young, but it is also becoming progressively more educated. As can be seen in Figure 30, illiteracy rates among Saudi youth have declined significantly between 2007 and 2017; this is especially the case among the female population where rates fell from 5.9 percent in 2007 to 0.6 percent in 2017. Moreover, with over 50 percent of university graduates being female, this demographic represents a powerful force of talent for the Kingdom.

Figure 30. Saudi youth illiteracy rate (15-34) by gender, 2007 to 2017



Source. GASTAT Youth Report, 2017

In the process of building a thriving economy, Saudi Arabia is committed to ensuring that it is building an inclusive economy as well. To do so, it is investing in the education and training of young women and men to secure that they are not only granted opportunities to contribute to the modern economy but also that they are equipped with the necessary skills needed to excel. This includes investing in new industries, research and development opportunities and training and reskilling programs for its population. In addition to this, the government is also creating new opportunities to engage those with disabilities so that they too can receive the necessary education and job opportunities that will strengthen their independence and guarantee their integration as effective members of society.

DIVERSIFICATION OF THE URBAN ECONOMY AND PROMOTE CULTURAL AND CREATIVE INDUSTRIES

While Saudi Arabia is often seen as a country with abundant natural resources, it is also blessed with a rich cultural heritage and opportunities presented by tourism and the creative industries. Whether it be its distinctive art, traditional poetry, diversity of food or skilled handicrafts, Saudi Arabia has a long history of celebrating its culture and traditions. In recent years, cultural and creative sectors have garnered increasing attention globally and have grown into flourishing industries of their own. The United Nations has even recognized creative industries as key drivers of inclusive and sustainable economic development and vital contributors to society and the economy. The Kingdom of Saudi Arabia has recognized this and has made a concerted effort to protect its history and bolster its own cultural and creative industries. In 2018, the Kingdom of Saudi Arabia created the Ministry of Culture (from the Ministry of Culture and Information) with new specialized bodies covering areas of museums, movies and visual shows, libraries, fashion, music, heritage, literature and publications, performance arts, visual arts, architecture and interior design, and food and the art of cooking. The Ministry of Culture is responsible for preserving the Kingdom's historical past and promoting a culturally rich future that fosters its arts and culture.

Figure 31. Overview of supported cultural sectors in Saudi Arabia



Source. Cultural Development Fund, 2022

Unfortunately, the COVID-19 pandemic and the subsequent lockdown measures placed increasing pressure on Saudi Arabia's cultural and creative industries, forcing the likes of art galleries, cinemas and creative spaces to close. Despite this, the country remains committed to boosting this sector's contribution to society and growing its share of the country's GDP. In 2021, as part of Saudi Arabia's commitments during its leadership in the G20, the Ministry of Culture partnered with the United Nations to organize and host a forum in recognition of the International Year of the Creative Economy for Sustainable Development.⁷⁶ During this event, Saudi Arabia highlighted the important role that cultural and creative industries have played in creating jobs and how these industries can best be supported in their recovery from the

COVID-19 pandemic. As Saudi Arabia continues to diversify its economy, the opportunities being presented by the cultural and creative industries offer significant potential. The following are some highlights of how Saudi Arabia is committed to boosting its creative economy.



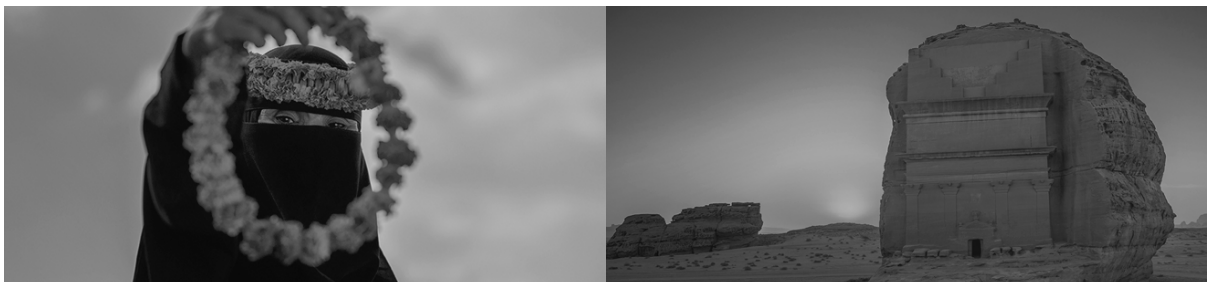
Cultural Scholarship Program – The Cultural Scholarship program was established by the Ministry of Culture. It aims to provide the Saudi cultural sector with unique educational opportunities to raise the competence of Saudi students and provide them with the essential knowledge and skills to advance the cultural sector to a higher level. The cultural scholarship program allows studies at the bachelor's, master's, and doctoral levels in various cultural disciplines, including sub-specialties in the fields of culture and arts within the most prominent educational institutions in the world. Among the disciplines that qualify, are music, theatre, visual arts, art history, cinematography, literature and languages, archaeology, culinary arts, design and architecture, among other cultural disciplines.⁷⁷

Saudi Arabia has organized +2,000 events, including 1,750 entertainment, 50 sports and 56 cultural events, which have been attended by more than 46 million visitors.

Source: Kingdom of Saudi Arabia's Vision 2030



Cultural Development Fund – The Cultural Development Fund was founded by Royal Decree issued on January 6, 2021. The fund was established as part of the Quality of Life Program initiatives to enhance cultural sector sustainability by supporting cultural activities, facilitating cultural investment, and improving sector profitability. The fund will focus on supporting the 16 cultural sectors that have been identified within the National Culture Strategy through development programs with different financing mechanisms, designed to enable the cultural sector in various fields, such as content industry and development, education and training, infrastructure support, distribution, marketing of cultural outputs, operating cultural facilities and enabling digital transformation in the cultural sector. In addition to the investment programs that the fund intends to design to increase the cultural sector's contribution to the Kingdom's economy, the fund will also provide non-financial advisory services to all entities and individuals working in the various cultural fields. Besides forming effective strategic partnerships with several bodies in the governmental, private and non-profit sectors, the fund will also seek to activate the role of small and medium enterprises in the cultural sector aiming to achieve sustainable development and enhance the positive impact on the cultural industry and its practitioners to benefit the Kingdom's economy and the public interest. The fund will contribute to enhancing Saudi cultural production and achieving economic development opportunities, which will lead to the development of the cultural scene and raise the level of appreciation of national culture both locally and globally.⁷⁸



©Cultural Development Fund



Diriyah Gate Project – The historic city of Diriyah is considered Saudi Arabia’s cultural capital. The city is home to more than 300 years of Saudi Arabia’s authentic culture and history. The Diriyah Gate Project, which is currently underway, is a SAR 64 billion mixed-use development project covering 7 square kilometers. The project aims to transform the historic city into a unique lifestyle destination incorporating aspects of hospitality, retail and education built with culture and history at the center. The project combines traditional Najdi architecture with new urbanism approaches to create a destination that celebrates the country’s rich heritage and reveals the origins of modern Saudi Arabia. At the heart of the development is the At-Turaif UNESCO World Heritage Site, which is an iconic mud-brick neighborhood, and the home of the first house of the royal family and the capital of the first Saudi State. At-Turaif was built in the 1700s using adobe mud and other natural materials and features courtyards, alleyways and towers that showcase quintessential Najdi architecture and tells the story of the traditional Saudi way of life. Under UNESCO guidelines, the mud-brick city has been restored to exhibit materials and artifacts from the Kingdom’s royal, social and cultural past. The project incorporates elements of experience, local economic development, cultural tourism, and historic preservation, creating a destination for future generations to enjoy. The project is managed by the Diriyah Gate Development Authority, which was created in 2017 as a separate entity to preserve and celebrate the history of Diriyah.^{79, 80}



© Ministry of Culture, Saudi Arabia



The number of National Heritage sites in Saudi Arabia has increased from 241 in 2017 to 354 in 2019.

Source: Kingdom of Saudi Arabia's Vision 2030



Al Ula – Al Ula, which is located in Medina Region in the North-West of Saudi Arabia, is being developed as a living museum and heritage site. The region itself encompasses more than 200,000 years of unexplored human history including the Nabataean city of Hegra, Saudi Arabia's first UNESCO World Heritage Site. It is also home to the ancient North Arabian Dadanite and Lihyanite Kingdoms, whose scripts contributed to the evolution of the Arabic language as well as Al Ula Old Town, a stopping point for pilgrims from 1100CE.⁸¹ The Royal Commission for Al Ula's long-term plan is shaped by a sustainable, sensitive and responsible approach to urban and heritage development. The goal being to preserve the area's unique natural and historic character whilst putting Al Ula on the map as a special location to live, work and visit.⁸²



©Experiencealula, Royal Commission For Alula



Qiddiya Project – Qiddiya, which is located near Riyadh city, is a planned entertainment megaproject that will host family friendly theme parks, sports arenas suitable for international competitions, academies for sports and the arts, concert and entertainment venues, racetracks for motorsport enthusiasts as well as outdoor and adventure activities alongside nature and environment experiences. The master plan, which has been designed to respect the sites natural landscape, will be based on five thematic cornerstones, including Parks & Attractions, Sports & Wellness, Motion & Mobility, Arts & Culture and Nature & Environment. It also aims to offer a variety of real estate options and community services. In line with Vision 2030's efforts to enhance Saudi Arabia's entertainment, culture, and tourism offerings, Qiddiya is set to be the capital of entertainment, sports and arts. As such, it aims to contribute to the advancement of Saudi Arabia's economic diversification whilst opening the Kingdom to the world.⁸³



- | | |
|-------------------|--------------------------|
| 1 Resort Core | 5 Golf Community |
| 2 Qiddiya Village | 6 Aerodrome and Airfield |
| 3 Motion Zone | 7 Future Development |
| 4 Eco Tone | 8 Green Buffer |

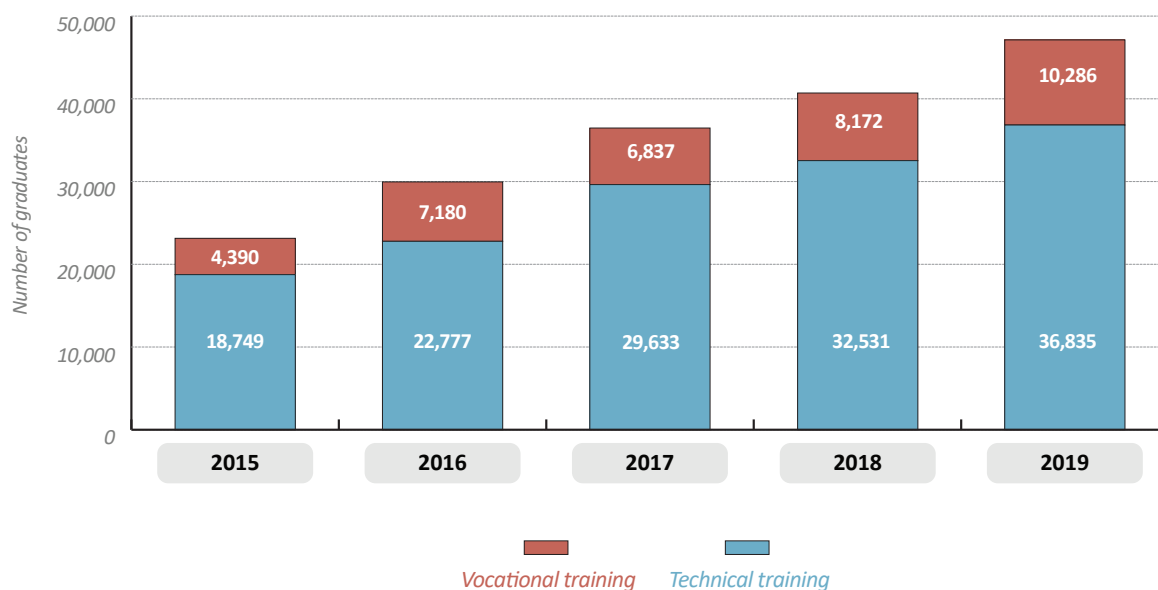


DEVELOP TECHNICAL AND ENTREPRENEURIAL SKILLS TO THRIVE IN A MODERN URBAN ECONOMY

The Kingdom of Saudi Arabia is committed to building a modern economy with a diverse range of income earning opportunities for its people. This, however, will not occur on its own and instead requires a concerted effort to secure that the population is equipped with the necessary talents and skills for the jobs of the future. To build the capacity in these areas, Saudi Arabia is investing in its education system. This includes refining its national curriculum in line with market needs and equipping teachers and educational leaders with the skills needed to transfer this knowledge to their students. In addition to this, incentives in the form of scholarships are being created in fields that align with the national priorities of the country.⁸⁴

While Saudi Arabia is committed to building world class universities, it also recognizes the need for specialized programs and training institutions. In recent years, Saudi Arabia has been investing in expanding its vocational training programs and matching graduates of these programs with employers that could benefit from their skills. As can be seen by Figure 32, between 2015 and 2019, the number of students graduating from vocational training programs has been on the rise. For graduates of vocational training programs there has been a 134 percent increase, while for graduates of technical training programs there has been a 96 percent increase.

Figure 32. Number of graduates from technical and vocational training programs, 2015-2019



Source: Saudi Central Bank (SAMA), Annual Statistics, 2020

Despite its contribution to GDP and its ability to create credible jobs for the population, vocational employment is an area that is often overlooked in many countries. Saudi Arabia, in recent years, has experienced firsthand the value of vocational training programs, particularly in terms of its ability to upskill the workforce and transition them into gainful employment over short periods of time. Vocational training is now seen as an important component of employment generation. To support its labor force ambitions, the government has created several initiatives to ensure that its population develops the necessary technical and entrepreneurial skills that are needed and to

match graduates with the right employers to put their newly acquired skills to work in a productive way. The following highlights provide some insights into the programs and tools that are being put in place to develop both technical and entrepreneurial skills to thrive in the modern economy.



Technical and Vocational Training Corporation – The Technical and Vocational Training Corporation is a government agency that oversees and provides technical and vocational training throughout the Kingdom. The corporation is committed to providing quality and flexible career skills through offering high quality training programs that enable trainees to obtain relevant positions in the labor market. It also prepares national manpower to fill technical and vocational positions based on labor market needs. This is often done through strategic partnerships with industry. Through investment in technical and professional education, this program also helps corporations by reducing both the costs of training and the risks of hiring the wrong candidate for the position. In 2019, eleven branches of technical colleges for males were transformed into independent colleges and two digital colleges for females were opened.⁸⁵

According to the results of the global knowledge index issued by the United Nations Development Program, in 2020, the Kingdom of Saudi Arabia achieved 12th place worldwide in the technical and vocational training index. This is a significant improvement compared to its previous ranking of 86th place in 2019.

Source: Kingdom of Saudi Arabia's Vision 2030



National Labor Gateway (TAQAT) – Taqat is an initiative launched by the Human Resource Development Fund and the Ministry of Human Resources and Social Development. It is considered to be the largest virtual employment market platform in the Kingdom of Saudi Arabia, offering opportunities for both the private and public sector. The platform provides employers with tools to fill vacancies with qualified candidates and provides perpetual employment and training support in collaboration with Doroob – a program that offers free online courses focused on building the capacity of future employees – to support job seekers to achieve their professional goals.⁸⁶



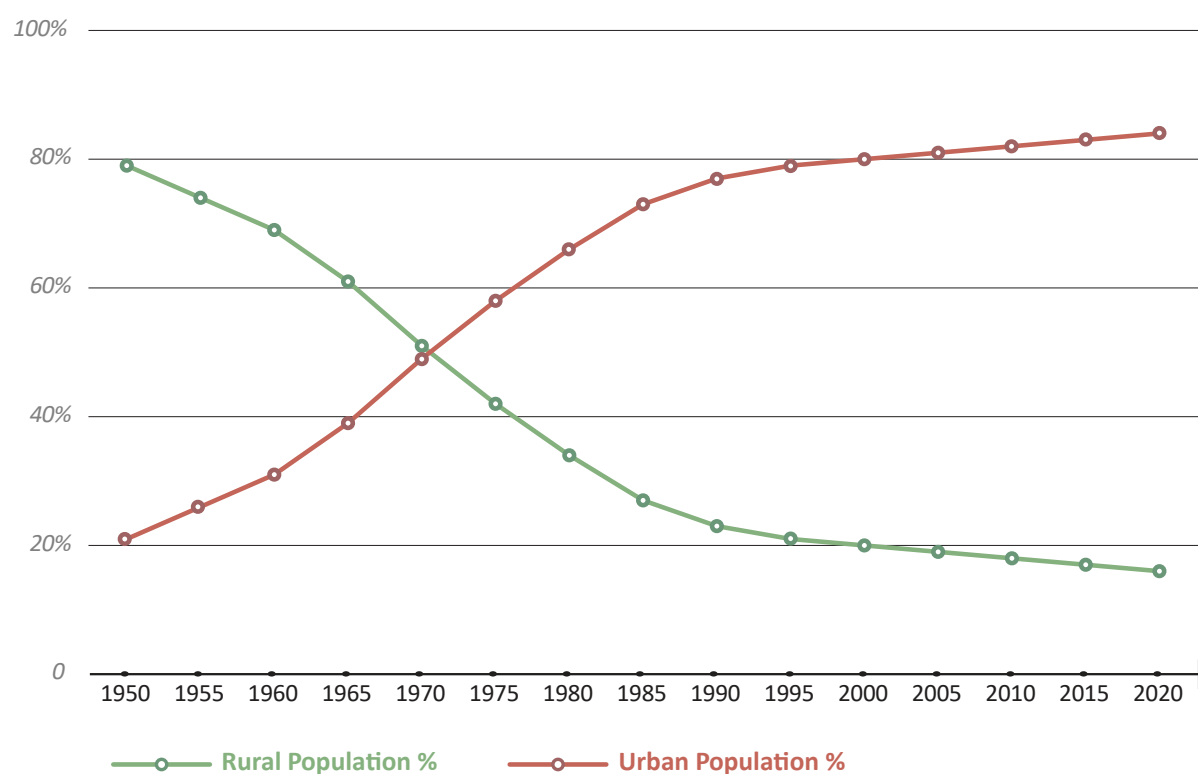
Sahem' for Social Innovation – 'Sahem' for Social Innovation is a project launched by the King Khalid Foundation and Prince Sultan University aimed at creating an enabling environment for innovation and social entrepreneurship in the Kingdom. As such, the project seeks to increase the role of innovation and entrepreneurship to advance social development while also creating employment opportunities for youth. The program itself aims to equip both female and male students with the creative and entrepreneurial skills and tools needed to overcome challenges and become contributing members of society. In this way, it contributes to the Vision 2030 goals of cultivating a sense of social responsibility and increasing self-confidence to equip students with the future skills they need to overcome their own challenges in their personal and professional lives. The program itself is organized across 3 phases spread over a period of one month – a two-week program awareness campaign, a 5-day boot camp and a 2-day innovation challenge. Topics of interest include social work and innovation models, design thinking methodologies, social

project financial models, entrepreneurship and social impact assessment environment, tabling ideas for social projects and project planning. To date, the program has helped to create employment opportunities for 52 students.⁸⁷

DEVELOP URBAN-RURAL LINKAGES TO MAXIMIZE PRODUCTIVITY

Saudi Arabia has undergone a significant urban transformation over the past 50 years. In 1950, most of the population was rural (79 percent), however, by 1970 the Kingdom crossed an important threshold upon which the majority of the population inhabited urban areas (Figure 33). As of today, approximately 84 percent of the population now live in urban areas. As part of its rapid urbanization, the country has made efforts to overcome different spatial challenges – this includes promoting integration between urban and rural areas, addressing regional disparities, and combatting urban sprawl to name a few.

Figure 33. Percentage of urban and rural populations, 1950-2020



Source. United Nations, 2018

To strengthen urban and rural linkages the government has made a concerted effort in recent years to improve infrastructure and public service delivery in all regions of the Kingdom. As mentioned above, there are several initiatives underway to extend access to services such as electricity, broadband, water and sanitation as well as to improve road infrastructure to some of the harder to reach parts of the Kingdom. Much of this is taking place under the direction of the National Spatial Strategy (NSS) which seeks to overcome urban and rural territorial divides and regional disparities. In addition to this, the government is also developing investment and employment strategies targeting investment in less developed parts of the Kingdom to stimulate regional economic development and to reduce the pressures of rural exodus.



Authentic Saudi Touristic Villages – The Authentic Saudi Touristic Villages, led by the Ministry of Tourism in conjunction with the Heritage Authority, seeks to build and promote the role of authentic villages in Saudi Arabia by attracting tourism. The aim is to develop a model that can build on the competitive advantages of unique villages, including their rich history, traditions, authentic cuisine and hospitality to build a thriving tourism economy. By investing in strategically identified villages this initiative aims to create employment and livelihood opportunities in smaller settlements that may be at risk of declining. Local economic development strategies such as this are seen as important tools for alleviating the increased pressures being placed on larger urban centers and instead creating a more economically and spatially diversified economy.⁸⁸



©Ministry of Tourism, Saudi Arabia

ENDNOTES

⁶³ Vision 2030 Achievements Report, 2016-2020

⁶⁴ <https://gyi.misk.org.sa/country-profile/?cc=SAU>

⁶⁵ <https://www.spa.gov.sa/viewfullstory.php?lang=en&newsid=2230340>

⁶⁶ <https://hrsd.gov.sa/sites/default/files/Nitaqat%20Manual-updated-3.0%20%282%29.pdf>

⁶⁷ <https://eservices.taqat.sa/Eservices/ProgramDetails.aspx?Id=5>

⁶⁸ <https://www.pif.gov.sa/Investors%20Files%20EN/DNV%20Second%20Party%20Opinion.pdf>

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⁷⁴ Saudi Arabia First Voluntary National Review, 2018

⁷⁵ <https://business.sa>

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⁷⁷ Ministry of Culture Annual Report, 2020

⁷⁸ <https://cdf.gov.sa/#smooth-scroll-top>

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⁸⁸ The Authentic Saudi Touristic Villages Visit Report, Ministry of Tourism, 2022

1.3
ENVIRONMENTALLY SUSTAINABLE & RESILIENT
URBAN DEVELOPMENT

1.3.1 RESILIENCE, MITIGATION & ADAPTATION OF CITIES & HUMAN SETTLEMENTS



Environmental challenges, including climate change, global warming and deforestation, have been deemed the greatest threats of our time. Such challenges are difficult to overcome due to their complexity and interconnectedness; meaning that the effects in one area can have spill on effects elsewhere. Such challenges also have imperative social implications, with certain geographical areas as well as different socioeconomics groups facing greater risks than others. The Kingdom of Saudi Arabia is located in an arid geographical region characterized by high temperatures during the day, which sharply drop to low temperatures at night. This, however, varies significantly by season with temperatures ranging from 27-45 degrees Celsius in the summer months and from 8-29 degrees Celsius during the winter months. Aside from certain areas along the Red Sea (including Tabuk, Al-Madinah, Mecca, Asir and Jazan), the majority of the Kingdom's landscape comprises a desert like landscape and climate.

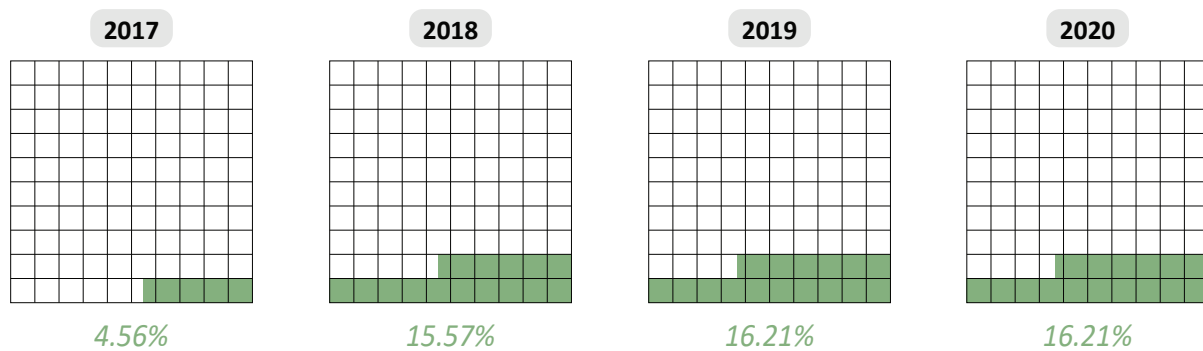
In recent years there has been growing recognition that more needs to be done to ensure that development occurs in a sustainable way. Sustainability is largely understood as meeting the needs of present populations without compromising those of future generations. Cities which are said to occupy only 3 percent of the earth's surface account for 60 to 80 percent of energy consumption and at least 70 percent of carbon emissions.⁸⁹ In the context of urbanization, sustainable urbanization refers to urban development that safeguards tomorrow's urban needs.⁹⁰ In line with this, the Kingdom of Saudi Arabia is working towards building the concepts of resilience, mitigation and adaptation into its cities and villages, while balancing the social, economic and environmental dimensions in tandem. The following highlights several key areas where sustainability principles are being prioritized:

- Reducing the reliance on non-renewable energy sources
- Developing sustainable and low-carbon transportation solutions
- Building green and resilient infrastructure
- Promoting waste reduction and waste management
- Increasing the amount of green space
- Incorporating efforts for water cycling
- Promoting sustainable urban form including integrated planning practices

MINIMIZE URBAN SPRAWL AND LOSS OF BIODIVERSITY

Accompanying its growth in population and increased consumption patterns, Saudi Arabia is also witnessing the growth of its cities and villages, in particular the spatial footprint of its urban areas has been on the rise. While the growth of cities can lead to many urban development challenges, one of the more prevalent problems is urban sprawl. Urban sprawl occurs when an area's urban footprint grows faster than the population, resulting in cities growing out instead of up. The negative consequences of urban sprawl include high service costs, higher emissions due to the lack of public transportation options and a preference for private transport and biodiversity loss resulting from the unnecessary consumption of adjacent land.

To combat this threat, Saudi Arabia has given increasing attention to the promotion of sustainable urban development. Within urban areas, land is being allocated for the establishment of open and public spaces, while outside of urban areas, efforts are being made to limit development and remove incentives that are leading to growing spatial footprints and urban sprawl. Outside of populated urban areas, efforts are also underway to establish land reserves to protect biodiversity. Such areas are meant to limit the amount of development and to ensure that there is sufficient natural habitat for animals and plant life.

Figure 34. Proportion of land under protected natural areas (wild reserves), 2017-2020

Source: GA Stat, various years

In its early years, the system of protected areas was supported by the International Union for Conservation of Nature. Through coordinated efforts, this resulted in the establishment of the National System for Conservation of Wildlife and Sustainable Rural Development in the Kingdom of Saudi Arabia in 1991. While Saudi Arabia has a long history of protecting natural areas, a significant effort has been underway in recent years to increase the protection of important ecosystems and areas with rich biodiversity. The Saudi Vision 2030 has a number of objectives related to this, in particular, this includes safeguarding the environment from natural threats and protecting and rehabilitating natural landscapes. As can be seen in Figure 34, since 2017, the proportion of land under protected natural areas, otherwise known as wild reserves, has increased substantially from 4.56 percent in 2017 to 15.57 percent in 2018 and to 16.21 percent in 2019 and 2020. The following are some examples of important initiatives that have contributed to minimizing urban sprawl, protecting natural areas and limiting the loss of biodiversity.

Council for Royal Reserves—Given the important role that natural reserves and diverse ecosystems play in safeguarding the habitat of unique species and promoting biodiversity, the Kingdom has made substantial progress in the area of environmental conservation, including attempts to minimize fishing and overgrazing, perpetuate the growth of flora and fauna and create a safe haven for both people and wildlife. Pertaining to these efforts, a royal decree was issued to establish the Council of Royal Reserves in 2018. Royal Reserves are considered to be publicly owned areas of biological, geological, and climatic significance designated for the conservation and resettlement of natural resources, as well as the promotion and enjoyment of eco-tourism, in accordance with specific regulations and instructions. To ensure their protection, these designated areas are off limits to unwanted development and are provided with their own management and funding. By transforming areas into royal reserves, the government aims to facilitate the protection of the reserves to develop and preserve the natural environment and vegetation while limiting unwanted activities such as logging, hunting and overgrazing. Key responsibilities of the royal reserves include:

- Promoting the importance of preserving the natural environment, plants and wildlife, and their reproduction and development, and preventing harmful behaviors toward the environment
- Activating eco-tourism, including picnics for the public, enjoying nature and practicing eco-recreational activities
- Adopting initiatives that contribute to addressing the obstacles and challenges facing the natural environment, plants and wildlife
- Building community partnerships and local and international relations to serve the objectives of the reserve
- Enhancing the position of nature reserves as a global environmental investment destination, which contributes to serving environmental objectives⁹¹



Green Riyadh – Green Riyadh is one of the most comprehensive public space projects currently taking place in Saudi Arabia. The project consists of planting more than 7.5 million trees across 3,330 neighborhood gardens, 43 parks, 9,000 mosques, 6,000 schools, 64 universities, 390 healthcare facilities and 1,670 public facilities in Riyadh. The trees will also line 16,400 kilometers of streets and roads, 2,000 parking lots, 1,100 kilometers of green belts, 175,000 plots of vacant land and 272 kilometers of valleys. The intention is to increase green space per capita from 1.7 to 28 square meters, which is 16 times the current level and 3 times the WHO standard (9 m² per capita). The project also aims to increase the green coverage from 1.5 percent to 9 percent, while allowing for biodiversity including the presence of birds and other tree-dwelling species. While increasing green space in the city will notably come with increases in demand for green space management, efforts are underway to secure that this project takes place in a sustainable way. This includes carefully selected species of trees (+87) and recycled water networks among other climate/environment friendly interventions. In addition to this, the increased coverage of shaded areas is expected to have a significant impact on the microclimate of the city, reducing temperatures and minimizing the impacts of the urban heat island effect. In accordance, this project also aims to reduce overall energy consumption. The Green Riyadh project contributes to the Saudi Green Initiative which aims to establish more than 541 square kilometers of green space by 2030. These initiatives contribute to Saudi Arabia's efforts to reduce greenhouse gas emissions and combat climate change.^{92, 93}



©Royal Commission for Riyadh City

Saudi Arabia has launched the Saudi Green Initiative that aims to focus on enhancing the Kingdom's efforts in facing the current environmental challenges which includes planting 10 billion trees within the Kingdom over the coming decades.

Source: Kingdom of Saudi Arabia's Vision 2030



Red Sea Project – Stretched across more than 200 kilometers of coastline, the Red Sea Project is situated along the western coast of the Kingdom of Saudi Arabia. The project, which was first announced in 2017 with the first phase expected to be completed in 2022, is an eco-resort consisting of hotels, residential properties, leisure facilities and entertainment ventures. The project consists of 28,000 square kilometers of pristine water and land and includes an archipelago of more than 90 islands. The project is unique in that it showcases Saudi Arabia’s unique tourism opportunities, while promoting cultural preservation in the process. In addition to creating distinct travel experiences, the project also aims to set new standards in regenerative tourism and sustainable development. As part of the project, carbon dioxide emissions will be reduced, as well as waste production, and light and noise pollution. Moreover, there are a number of biodiversity initiatives within the project. The Marine Surveying Plan, for example, is a collaboration between the Red Sea Project and King Abdullah University for Science and Technology (KAUST). Through studying local biodiversity and applying innovative mapping software developed in Saudi Arabia, the project helps to protect, preserve and enhance the biodiversity in the region. In doing so, it is committed to increasing the value of biodiversity by up to 30 percent. The Red Sea Project is estimated to contribute SAR 15 billion (USD 3 billion) per annum to the Kingdom’s total GDP, in addition to generating up to 35,000 jobs once it is complete ^{94, 95, 96}



©Red Sea Project



Updated Comprehensive & Local Plans – To overcome the unsustainable patterns of urban development that have led to increasing levels of urban sprawl, the Ministry of Municipal, Rural Affairs and Housing (MoMRAH) and the Development Authorities Support Center (DASC) are working in partnership to prepare updated comprehensive regional and local plans for urban areas across the Kingdom. To ensure recent innovations and best practices in sustainable urban development, efforts have been made to attract world class planners and designers to engage communities and create plans to guide future development.

The program extends beyond simply preparing the guiding documents and instead focuses on building capacity in local governments to implement the plans and update them over time.⁹⁷

IMPLEMENT CLIMATE CHANGE MITIGATION AND ADAPTATION ACTIONS

As mentioned above, climate change is considered the crisis of our time, with far reaching implications beyond the borders of any individual country. Addressing climate change, therefore, requires coordinated efforts to reduce actions that will further exacerbate it and to put in place measures to adapt to and mitigate its effects.

The risks for Saudi Arabia are due in part to its extremely arid environment, sensitive ecosystems and limited access to freshwater resources. In 2005, the first national report for the United Nations Framework Convention on Climate Change (UNFCCC) was conducted and the findings revealed that most of the territory that comprises the Kingdom of Saudi Arabia consists of ecosystems that are sensitive to climate change, particularly desertification.⁹⁸ Desertification refers to a type of land degradation in arid, semi-arid and dry sub-humid areas resulting from factors such as climatic variations and human activities, in which biological productivity is lost.⁹⁹

While the threat of climate change poses a significant risk in that extreme weather events can damage important ecosystems, cause natural disasters as well as damage agricultural sectors, it also impacts the national economy in terms of the costs associated with taking adaptive measures to cope with its consequences. Given the vulnerability that climate change poses to the Kingdom of Saudi Arabia, the government has made resilience, mitigation and adaptation to climate change one of its top priorities. In an effort to combat the effects of climate change, Saudi Arabia has signed multiple international conventions and protocols on climate change, such as the Paris Climate Accord, the Kyoto Protocol and the Montreal Protocol. In addition to this, Saudi Arabia has put in place widespread climate mitigation and adaptation measures. These include measures such as shifting towards renewable energy and electricity and water conservation measures as well as incorporating climate friendly approaches into the planning and management of cities (ie. green buildings, sustainable transportation options, etc.). The following are several examples of initiatives oriented towards climate change mitigation and adaptation.

Kingdom's Environmental Strategy – Due in part to the steady growth in population and growing production and consumption patterns in recent decades, the environment has been under increasing pressure. This has challenged existing environmental protection apparatuses, which have not always been able to adapt to the changing circumstances. Consequently, this resulted in a low ranking on the Environmental Performance Index (EPI) in 2017 – 86 out of 180 countries. In response to this, in 2018 an environmental strategy was developed, which put in place a comprehensive framework for implementing innovative solutions for the protection of the environment and improvements to performance in this sector. The strategy comprised

several initiatives aimed at restructuring the institutional framework including a regional fund and five national environmental centers 1. National Center for Environmental Compliance; 2. National Center for Vegetation Development and Control Desertification; 3. National Center for Waste Management; 4. National Center for Wildlife Development; and 5. National Center for Meteorology).¹⁰⁰

Riyadh Air Quality Management – The Riyadh Air Quality Management App is a smart phone application developed by Riyadh Environment that records the level of pollutants in the air and provides real time updates about air quality. Based on the geographical location of the user, the App displays an air quality reading based on the nearest air quality monitoring station. The App includes information on the date and time of the last monitoring and provides two sub-indicators related to air quality. The first sub-indicator displays the status of carbon monoxide and nitrogen dioxide gases. Whereas the second sub-indicator displays the status of aerial planktons that are 10 micrometer diameter or less in size and suspended particles that are 2.5 micron wide; both of which have the ability to enter the human respiratory system and penetrates the lungs.¹⁰¹



Environmental Development Association (Faseel) – Faseel is a non-profit organization which was registered by ministerial decree in 2017. Its mandate is to develop an eco-friendly and sustainable sector across the Kingdom. In doing so, it aims to enhance sustainability through the adoption of innovative social solutions, raise awareness among the local population, build human capabilities and competencies, promote global and local environmental cooperation and conduct research for companies and entrepreneurs on sustainability in the environment. Some of the initiatives and programs under Faseel include: The Blue Economy – which aims to build a circular economy and business model that responds to the needs of society using locally available materials; Ludon – which seeks to enhance environmental knowledge and raise society’s awareness about the environment; and, Sejal Faseel – which was established in collaboration with the World Economic Forums Global Shapers Community to bring together youth and environmental enthusiasts with experts, leaders and decision makers to advance local environmental agendas. Faseel also promotes community participation through voluntary contributions to different social and environmental activities.¹⁰²

As part of the humanization of cities initiative, in the fourth quarter of 2021, 9 walking paths reaching a total length of 8,726 meters, with 820,500 square meters of green area were completed across several cities.

Source: Strategic Management Office (SMO)

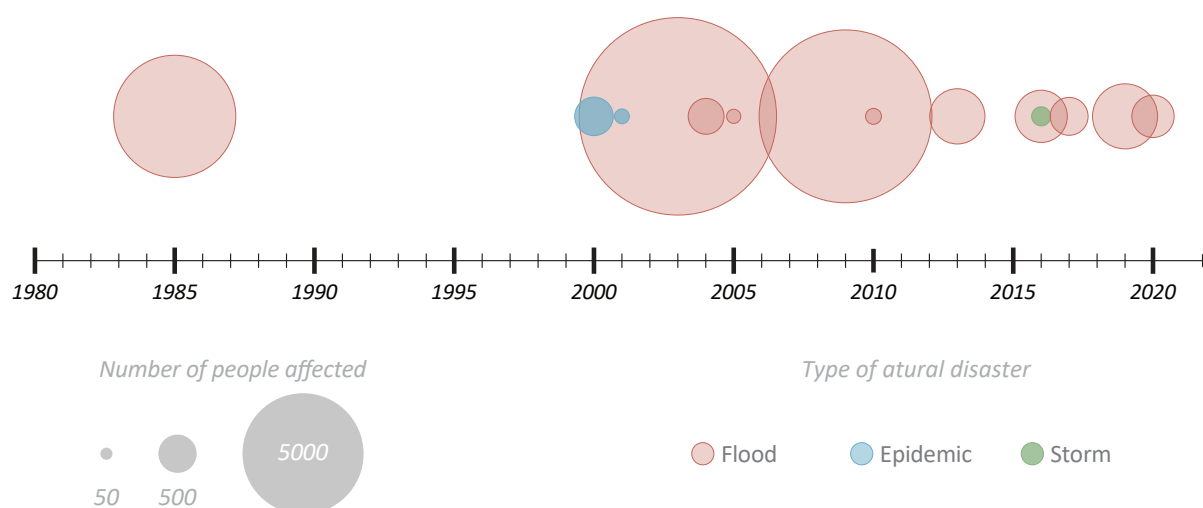
DEVELOP SYSTEMS TO REDUCE THE IMPACT OF NATURAL AND HUMAN-MADE DISASTERS

Historically, the topic of natural disasters has not attracted a lot of attention in Saudi Arabia. This is largely due to the limited frequency of such events. However, in recent years, natural and man-made disasters have been growing in frequency, prompting the government to take proactive measures.

The Kingdom of Saudi Arabia has participated in and supported several initiatives on disaster risk reduction, including Rio+20, Islamic Conferences of Environment Ministers, and the United Nations International Strategy for Disaster Risk Reduction (UNISDR) Regional Conference on Disaster Risk Reduction. In addition to this, the government has also ratified the Strategy on Management of Disaster Risks and Climate Change Implications in the Islamic World and the Arab Strategy for Disaster Risk Reduction.

According to the Global Facility for Disaster Reduction and Recovery (GFDRR), over the past three decades, Saudi Arabia has experienced 14 natural disasters, which have affected nearly 30 thousand people and have resulted in an economic loss of approximately USD 450 million.¹⁰³ Figure 35 depicts the natural disasters that have occurred since 1980 by type and number of people affected.

Figure 35. Number of natural disasters by type and number of people affected, 1980-2020



Source: World Bank, 2020

The risk of natural disasters is a threat that needs to be combatted. The impact these events have had on the people and economy has prompted the government to commit to establish disaster management measures. Disaster Management refers to a management approach based primarily on the predictive capacity to anticipate disasters in their forms, sizes and times of occurrence, and to develop full scenarios for the expected disasters, through the examination and diagnosis of weaknesses and placed under strict supervision.¹⁰⁴

The Kingdom of Saudi Arabia's approach to natural disasters is both prevention and resilience. While natural disasters are often unpredictable, research has shown that rapid and unplanned urban development is seen as the primary cause of damage and loss. An assessment of Saudi cities, as part of the Future Saudi Cities Program, indicated that 21 percent of unplanned

areas in Taif, 26 percent in Makkah and 17 percent in Madinah are vulnerable to the effects of climate change.¹⁰⁵ The government recognizes the importance of integrating disaster risk management plans into the urban planning processes in the Kingdom. Preventative measures include proper planning to ensure that development does not occur in areas that are at an elevated risk of events such as floods.



Guidelines for Municipalities for the Preparation of Disaster Response Plans in 2018 – Due to the growing concern of natural disasters and their effects on human settlements, in 2018, the Ministry of Municipal and Rural Affairs released a set of Guidelines for Municipalities for the Preparation of Disaster Response Plans. The aim of the guidelines is to give officials and staff

responsible for the consequences of disaster response necessary information to formulate measures, services and plans to prepare themselves for such events. The guide is not considered to be regulatory in nature, but instead offers flexibility in the preparation of plans as it allows municipalities to prepare their plans according to the local characteristics of each region, the types of disasters expected and the human and technical potential available to them. The guide also expresses new modalities, including administrative, practical and technical coordination among multidisciplinary government bodies and how to take collective action to accomplish a series of activities to respond to the conditions presented by the disaster. The guidelines include details on functions and responsibilities of government entities, disaster preparedness plans, a framework for municipal bodies on disaster preparedness, elements for the preparation and implementation of the disaster response plans, plans for rebuilding and restoring after disasters and so on.¹⁰⁶

BUILD URBAN RESILIENCE THROUGH QUALITY INFRASTRUCTURE AND SPATIAL PLANNING

In 2015 Saudi Arabia joined on to the Sendai Framework for Disaster Risk Reduction (SFDRR). The Sendai Framework was the first major agreement of the post-2015 development agenda and provided member states with concrete actions to protect development from the risk of disaster. It states that in order to reduce the frequency and impact of disasters, countries must better understand disaster risk and to improve governance to reduce that level of risk. In that way, the Sendai Framework focuses on the adoption of measures to address different dimensions of disaster risk, including exposure to hazards, vulnerability and capacity, and hazard's characteristics.¹⁰⁷

To reduce the threat of natural and man-made disasters and to safeguard the Kingdom, the government is committed to incorporating principles of resilience into the planning and management of its cities. In 2018, the Arab Strategy for Disaster Risk Reduction (ASDRR) 2030 was adopted by the League of Arab States (LAS) at the summit held in Riyadh. This set out a coordinated program of work set across three phases. The first phase (2018-2020) focused on assessments of risk, creating /strengthening national institutions and development of overall elements of programs at regional and national levels; the second phase (2021-2025) covers strengthening institutions, developing and implementing Disaster Risk Reduction (DRR) programs at the national level and beginning DRR implementation at selected (sub-national) levels, and the third phase (2026-2030) covers delivering on all areas especially strengthening investment, preparedness, response and recovery systems at national and local levels and building DRR systems at all local (city and community) levels.¹⁰⁸

Urban areas, which are home to more than 50 percent of the global population and account for approximately 80 percent of GDP, are most at risk of natural disasters. This is also where the vast majority of the world's infrastructure is located. This means that threats to urban areas can be both costly in terms of lives and investment. While natural disasters are not widespread in the Kingdom, the most rampant is the risk of sandstorms and flash floods. Integration of a comprehensive flood hazard management plan, including various infrastructure interventions, into urban planning is seen as the most effective measure to preventatively address, manage and mitigate the risk of floods. Accordingly, the Ministry of Municipal and Rural Affairs has underscored the importance of site selection for urban development in its Planning Guidelines for Sustainable Urban Growth. According to these guidelines, new development projects should not be located in areas prone to flooding, seismic activity or air, water or soil pollution. Many cities have also undergone individual flood risk assessments. Other measures to improve resilience include strategic infrastructure investment as well as nature-based solutions.



Wadi Hanifah – Located on the Najdi Plateau, Wadi Hanifah (Hanifah Valley), is the most significant landmark in the region. With its basins and tributaries, it forms a unique 120-kilometer-long ecological corridor stretching from Tuwaiq Escarpment to the open desert southeast of Riyadh. In this way, it forms a natural watershed for floods and rainwater. The depth of the valley streams range between 10 and 100 meters with widths from 100 to 1,000 meters. Due to its strategic location, investment capabilities and potential to serve as an urban lung for the city, Wadi Hanifah is a vital ecological landscape and an important form of natural infrastructure. Over the years, production and mining activities as well as the expansion of the city have damaged the valley. Additionally, uncontrolled dumping of industrial, clinical and domestic waste has meant that groundwater and surface water has become contaminated. To prevent the deterioration of the valley's topography and soil formations, the Royal Commission for Riyadh City initiated the Wadi Hanifah Environmental Rehabilitation Project. The project includes 1) natural water treatment systems, 2) a bioremediation facility, 3) public service passageways, 4) environment-friendly roads, 5) pedestrian walkways paved with rocks, 6) plant cover restoration, 7) open parks, 8) protection of historic locations, 9) unified specifications for private farm fences, and 10) environmental regulations. In addition to this, the Wadi Hanifah Flood Management Plan was developed based on detailed analysis of flood models and other hydrological information. The plan itself depicts different scenarios of flooding and sets out the paths and lengths of flood channels, storage capacities, collection points and identifies areas that are most prone to flooding.^{109, 110}



©Royal Commission for Riyadh City



Flood Water Drainage Project in Buraidah – In 2015, Buraidah city was hit by torrential rains causing roads to be closed for several days and prompting the authorities to take drastic steps to prevent such an incident from occurring again in the future. The topography of the city consists of valleys that come from the north of the city, with residential neighborhoods that are located lower than the final outlet Wadi Al-Rama. In the incident of heavy rain, this creates a corridor that channels water to certain parts of the city, making Buraidah city particularly vulnerable to flooding. To avoid waiting for the next hazardous event, the flood water drainage project in Buraidah city was initiated in 2015. The project, which was estimated at SAR 2.3 billion, involved digging large tunnels 60 meters underground, which are meant to channel water away from areas to avoid flooding. The tunnels are 25 kilometers long with a diameter of 3.5 meters. The project, which is currently underway and is expected to be completed in 2023, will accommodate more than 300,000 cubic meters of water per hour.^{111, 112}



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1.3.2 SUSTAINABLE MANAGEMENT & USE OF NATURAL RESOURCES



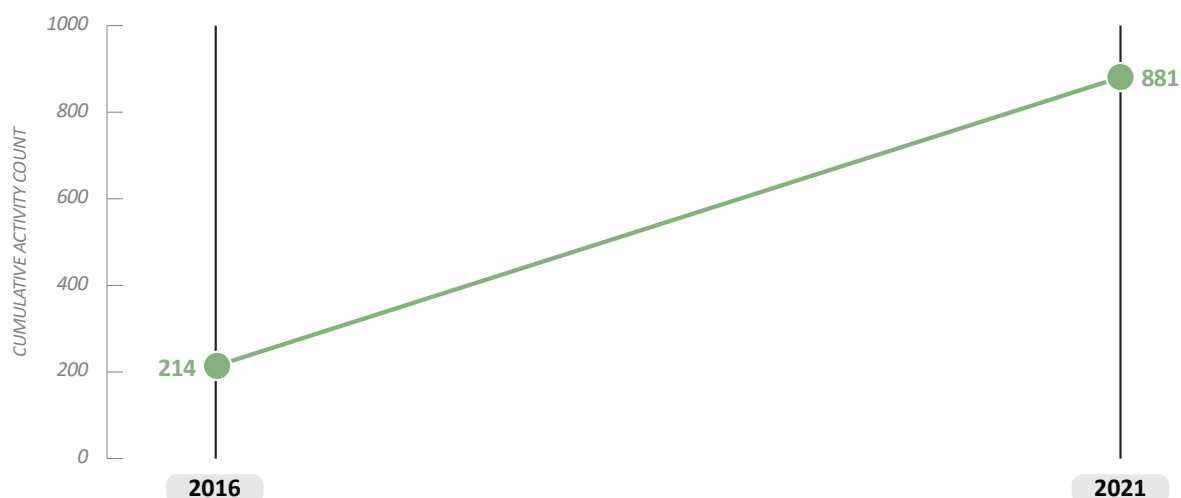
Committed to improving the standard of living for its population while at the same time, protecting the environment and safeguarding its resources for the future, Saudi Arabia has been incorporating the concept of sustainability in all that it does. This includes placing added emphasis on water security, waste management, air quality, climate mitigation and adaptation, energy consumption and resource efficiency, as was noted above. In addition to this, an area that has been receiving increasing attention in recent years has to do with consumption and the sustainable management of natural resources. As part of Vision 2030, Saudi Arabia is promoting a paradigm shift that includes conservation and sustainable use of natural resources as a strategic approach for enhancing prosperity, improving livelihoods and raising the standard of living, while at the same time, safeguarding the environment and natural resources for future generations.

STRENGTHEN THE SUSTAINABLE MANAGEMENT OF NATURAL RESOURCES IN URBAN AREAS

Sustainable consumption and production are about doing more with less. It is about increasing welfare gains from economic productivity while at the same time reducing resource use, degradation and pollution throughout the entire lifecycle. Sustainable management of natural resources is highlighted prominently in the Vision 2030 Framework, including protecting vital resources and utilizing resources with future generations in mind.

Over the last 50 years, Saudi Arabia underwent an incredible transformation. Although this raised the standard of living for everyone in the Kingdom, it also posed major challenges for the environment. The unprecedented shift from a predominantly rural lifestyle to a predominantly urban lifestyle was accompanied by the increase in infrastructure investment (buildings and roads) as well as rises in production and consumption. Accordingly, this has resulted in a significant increase in the use and consumption of natural resources requiring concerted efforts to reduce waste and ensure sustainable use of scarce materials.

Saudi Arabia has a long history of sustainable building practices. Traditional buildings, for example, were constructed using natural resources that were locally sourced (such as mud limestone, stone and wood) and built using techniques that ensure insulation during the hotter months (ie. thick walls and roofs with narrow windows). For generations, such techniques have been widely recognized across the Kingdom, due in part to their ability to promote energy efficiency and cost savings. While today the techniques have become more advanced, Saudi Arabia continues its practices, with many new developments borrowing from traditional sustainability principles. In addition to this, the government has been paying particular attention to innovative and environmentally friendly building practices. Today, Saudi Arabia has become a leader in LEED-Certified developments (buildings, neighborhoods, etc.), including ones with Gold and Platinum standards. Figure 36 illustrates the number of LEED certified activities in Saudi Arabia, which has risen significantly from just 214 activities in 2016 to 881 activities in 2021.

Figure 36. Number of LEED Certification Activities in Saudi Arabia, 2016 and 2021

Source: Green Building Information Gateway, 2021



King Abdullah Financial District – The King Abdullah Financial District, which is a large walkable mixed-use financial center located in the heart of Riyadh, includes district cooling plants, LED streetlights, solar panels, recyclable waste collection centers and more. Subsequently, it has received the LEED ND Stage 2 Platinum certification, making it a center for excellence for sustainable development in the Kingdom. It has also been built around the principles of sustainable urban development, making it compact, integrated, mixed-use and accessible via multi-modal transportation options. The development consists of innovative technologies that aim to pave the way for promoting more sustainable building practices in the Kingdom in the future. ^{113, 114}



© KAFD



Soudah Development – In 2021, the Public Investment Fund announced the launch of Soudah Development in the Asir region. The Asir Region, which is home to the highest peaks in Saudi Arabia, offers distinct landscapes and impressive views not seen elsewhere in Saudi Arabia. This development aims to protect the natural landscape and bolster the local economy by becoming a domestic tourism destination that offers easy access to natural landscapes and unique cultural experiences. As a part of enhancing the visitor experience in

Soudah and parts of Rijal Alma'a Governorate, this project will inject SAR 11 billion into infrastructure and tourism projects. The planned development encompasses around 1,300 residential units, 2,700 hotel rooms, and 30 unique commercial and entertainment attractions. The project aims to be developed as a sustainable, year-round tourism destination and is estimated to contribute about SAR 29 billion to the cumulative GDP of the Kingdom by 2030. The project, which places a strong emphasis on local economic development and community partnership, will include opportunities for collaboration with local stakeholders and the private sector (commercial, entertainment, residential and hospitality). The Soudah development aims to attract over two-million visitors per year to enjoy the region's natural landscapes and is expected to generate about 8,000 direct and indirect jobs by 2030.^{115, 116}

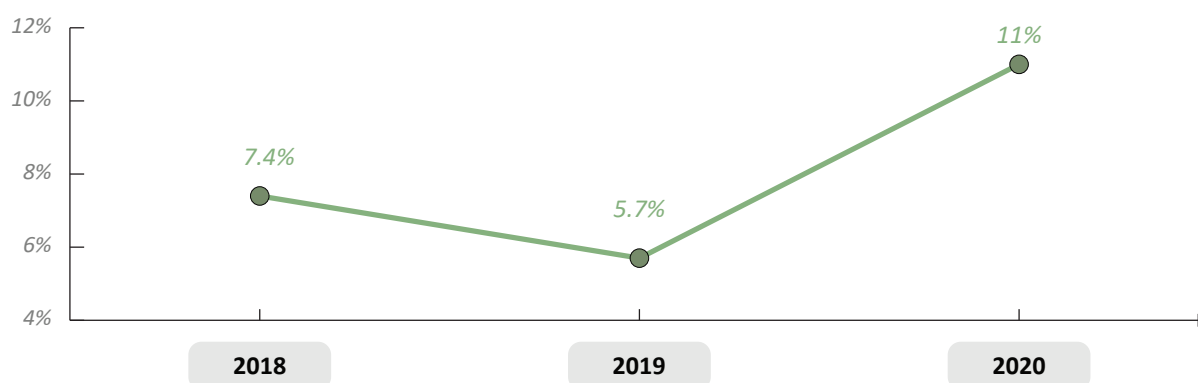


© Soudah Development

DRIVE RESOURCE CONSERVATION AND WASTE REDUCTION, REUSE AND RECYCLING

Vision 2030 has ambitious plans to divert 100 percent of municipal solid waste, 60 percent of construction waste and 85 percent of industrial waste away from its landfills. To achieve this, the government is investing significantly in new approaches to improve recycling, re-use, energy recovery and the promotion of the circular economy. This includes but is not limited to developing integrated strategies for waste disposal and management, upgrading of municipal waste management systems, the establishment of recycling companies and initiatives to recycle food waste. With approximately 70 percent of organic matter making up municipal solid waste in Saudi Arabia, the conversion of solid waste to energy presents an important alternative to directing organic waste towards landfills.¹¹⁷

Figure 37. Percentage of waste recycled (MoMRAH), 2018-2020



Source: MoMRAH Annual Reports, various years

Much of the progress that has been made in recent years is the result of the establishment of new initiatives, advancements in new technologies, social awareness campaigns highlighting the importance of sustainability and a shift towards increased recycling. As can be seen in Figure 37, notable progress has been made in the percentage of waste being recycled, which increased from 7.4 percent in 2018 to 11 percent in 2020. To continue this upwards trajectory and to ensure Saudi Arabia achieves its goal of diversifying away from landfills, there are a wide array of initiatives taking place across the Kingdom.



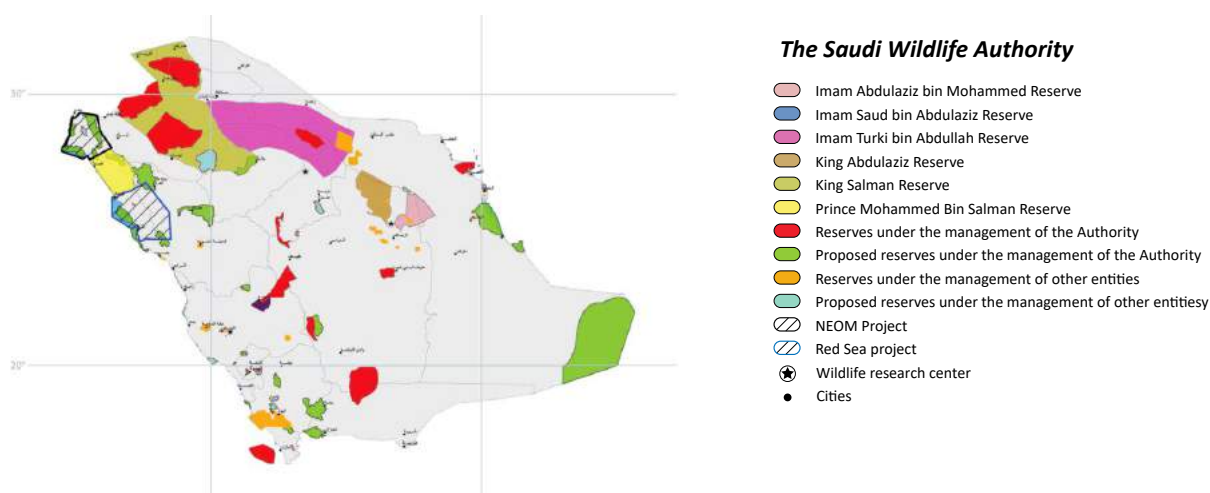
Saudi Investment Recycling Company (SIRC) – The Saudi Investment Recycling Company (SIRC) is a wholly owned subsidiary of the Public Investment Fund of Saudi Arabia. The company was established in 2017 with a mandate to build up the waste management sector by enabling private investment, building local capacities and cultivating a culture around the importance of recycling. To do this, SIRC intends to support various activities including to develop, own, operate and finance activities across all waste areas in line with the Waste Management National Regulatory Framework and Vision 2030. In that way, it aims to bolster recycling capabilities in the Kingdom and transition it towards a circular economy.¹¹⁸

Integrated Strategy for Waste Management in Riyadh City – Economic growth in Riyadh has led to widespread development including demolition, construction, and excavation. This has led to an increase in the amount of waste material being produced. To respond to this, a comprehensive strategy for waste management in Riyadh was developed by the Higher Committee for Environmental Protection. The strategy will result in the development of an integrated system for the management and recycling of construction and demolition waste among other forms of waste. This initiative is a collaboration between Riyadh Municipality, the National Waste Management Center and the Saudi Investment Recycling Company. The aim is to recycle 47 percent of their construction and demolition waste and 81 percent of annually produced municipal solid waste by 2035. To facilitate this, new technologies will be introduced to allow waste to be reused in different forms including fertilizers, papers, plastics, metals and so on. In 2019, the mayor of Riyadh launched an experiment in several neighborhoods to replace single bins in households with double bins to separate inorganic and organic materials and to cut down on waste that directly goes to the landfill. Currently, there is only one landfill that is operating in the city, where efforts are now underway to improve efficiency by sorting debris and disposing of it systematically.¹¹⁹

IMPLEMENT ENVIRONMENTALLY SOUND MANAGEMENT OF WATER RESOURCES AND URBAN COASTAL AREAS

With coastlines of approximately 2,330 km, Saudi Arabia is home to a wide array of marine life and coral reefs. Its rich and diverse marine ecosystem is an important contributor to biodiversity and also supports local livelihoods and food security. Acknowledging the need to manage its natural resources for future generations, Saudi Arabia has taken preemptive measures to protect its natural habitats including its coastlines and marine ecosystems. Saudi Arabia's Vision 2030 gives a high priority to environmental protection, conservation of natural resources and sustainable development. This includes committing to protecting and rehabilitating natural landscapes (including beaches, islands and natural reserves), ensuring sustainable use of water resources and reducing all types of pollution (air, sound, water, soil). In addition to this, Saudi Arabia is also a signatory to the Regional Organization for the Protection of the Marine Environment (ROPME), and a member of the Regional Organization for the Conservation of the Environment of the Red Sea and Gulf of Aden.

While this has helped to raise awareness as to the important role that Saudi Arabia's coastal areas play in enhancing its biodiversity and contributing to the livelihood of many in the Kingdom, further action is needed to protect its natural ecosystems which have been increasingly under threat from development and environmental degradation. To combat this, Saudi Arabia has made a concerted efforts in the identification of natural habitats including marine areas for protection and preservation. Figure 38 showcases the main protected areas in the Kingdom of Saudi Arabia including those that currently exist as well as proposed areas for future protection. This also includes the priority eco developments of NEOM and the Red Sea project.

Figure 38. Designated protected areas in the Kingdom of Saudi Arabia, 2018

Source. Saudi Wildlife Annual Report, 2018

With limited access to fresh water sources, to serve its water needs, the Kingdom of Saudi Arabia relies on water treatment and conversion processes. Consequently, Saudi Arabia is the largest producer of desalinated water in the world accounting for 63 percent of the water used in the country. Unfortunately, the process of desalination comes with a high environmental cost, which includes high consumption of electricity to run the desalination plants, as well as the disposal of brine which contains concentrated levels of salt and chemical contents and therefore poses a threat to marine biodiversity. To protect its water resources and coastal areas, the Kingdom of Saudi Arabia has been pursuing innovative solutions to desalination and water production.

Building an Absorption Base Desalination Plant – As noted, in addition to electricity consumption, another negative consequence of the desalination process is the discharge of brine water. In 2017, work began on an absorption base desalination plant to apply new desalination system technologies involving design, analysis, testing and evaluation. This project is part of an effort to develop a sustainable domestic water sector that restores depleted water resources and preserves the environment in the process. The project uses crystalline absorption cooling on an industrial scale with zero salt return, which has the added benefit of raising overall plant efficiency while preventing negative environmental impacts. The plant produces 5,000 m³/day of clean water for Rabigh City and has a reduction in carbon emissions of 3.7 tons/year; this could reach 11 tons/year if 100 percent renewable energy is used. This technology is one of the first of its kind globally.¹²⁰

المركز الوطني
لتنمية الحياة الفطرية
National Center for Wildlife
المملكة العربية السعودية



Umm Al Qamarie Island Reserve – The Umm Al Qamarie Island Reserve is a reserve located south-west of Al Qunfudhah city on the coast of the Red Sea. This area is considered to be an important ecosystem with rich and unique biodiversity that is not abundantly found throughout the Kingdom. The total area of the reserve covers two islands and is approximately 4 square kilometers in size. The surface of the islands is comprised of coral limestones and plants are abundant in the middle of the islands. In addition, several birds inhabit the island, including seabirds, coastal birds, and wild birds such as osprey, heron, White Egret and African Collared Doves. Acknowledging the important role that it plays in safeguarding marine biodiversity in the region, the island has been designated a protected area since 1977.¹²¹



AMAALA

AMAALA – AMAALA, which is part of Vision 2030, is a project that is owned by the Public Investment Fund. This destination development is being developed along the Red Sea coastline of Saudi Arabia and aims to foster transformative personal experiences and create new benchmarks in wellness and sports, arts and culture, and sea, sun, and lifestyle. The 4,155 km² idiosyncratic destination will feature distinctive heritage, landscapes, pristine ecosystems, and world-class yachting opportunities. The first phase of development is expected to be completed by mid-2024 and will offer private residential villas, apartments, 3,000 luxurious hotel rooms, recreational facilities, fine-dining, and high-end retail stores. In line with the values of the Bedouin tribes that inhabit the coastal regions, AMAALA aims to ensure full sustainability throughout the design, build and operation phases. As such, by 2030, the project aims to be a zero-carbon footprint operation powered by renewable energy with no connection to the national grid. It also aims to source 50% of all food sustainably and to contribute zero waste to landfills.^{122, 123}



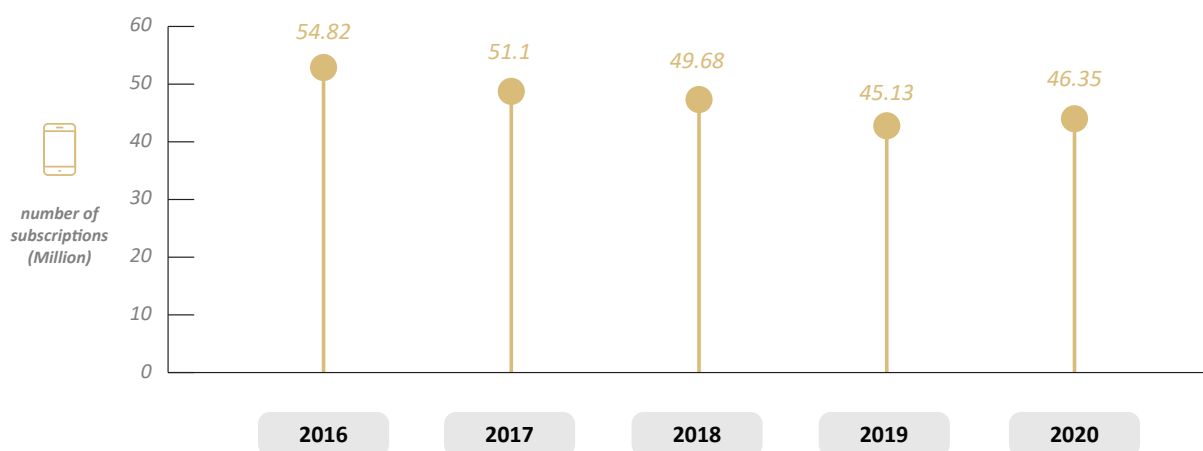
© AMAALA

ADOPT A SMART-CITY APPROACH THAT LEVERAGES DIGITIZATION, CLEAN ENERGY AND TECHNOLOGIES

The concept of smart cities refers to the integration of information and communication technology with physical devices that are networked through the internet of things with the purpose of optimizing a city's operations and services to improve overall efficiency and connect citizens.¹²⁴ While the application of smart city approaches are widespread, they are demonstrating their promise in the areas of sustainability and sustainable urban development.

Saudi Arabia sits at an advantage in that it already has a vast network of sophisticated infrastructure that facilitates the easy incorporation of smart city technology. The Kingdom's internet penetration rate, for example, covered 96.8 percent of households in 2020.¹²⁵ In addition to this, Figure 39 illustrates the total number of subscriptions to mobile telecommunication services, which peaked at 54.82 million in 2016 and has since stabilized around 45-46 million in more recent years. Moreover, the Saudi Arabian people are also quick adopters of new technology. Figure 40 depicts the percentage of households using electrical power savings devices, which has risen from 25.63 percent in 2017 to nearly 64 percent in 2021. The onset of the COVID-19 pandemic, which witnessed a swift shift to remote working, demonstrated the importance of having advanced and well networked smart city infrastructure as well as high utilization rates. The Kingdom of Saudi Arabia is well positioned to benefit from smart city technology.

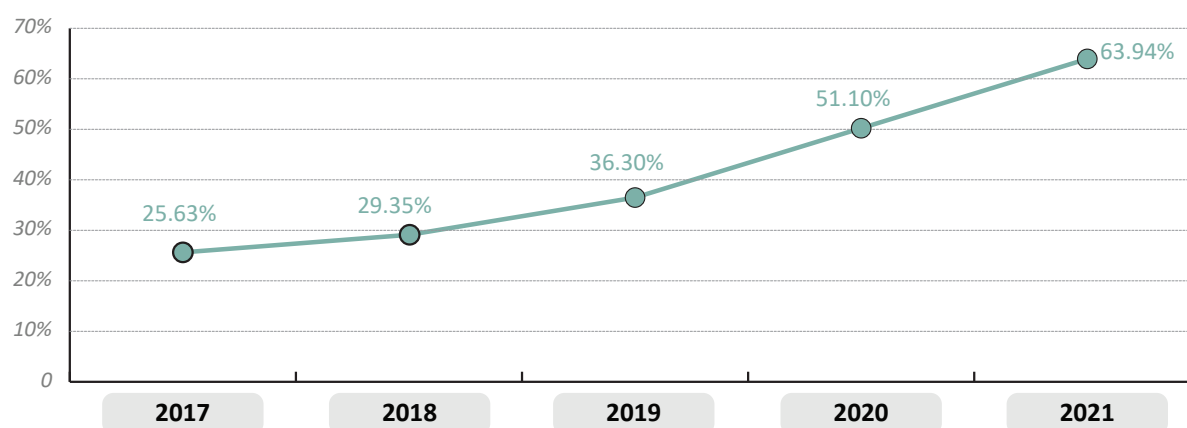
Figure 39. Total of all subscriptions to mobile telecommunications services, 2016-2020



Source. Communications and Information Technology Commission Report, 2020

As part of the 'Launching joint smart systems and applications for government transactions' initiative, the Digital Government Authority launched the Digital Government Policy to facilitate the digital transformation of the government sector by enhancing its capacity and effectiveness and improving its response to meet the needs and priorities of target groups.

Source: Strategic Management Office (SMO)

Figure 40. Percentage of households using electrical power saving devices, 2017-2021

Source: GASTAT, various years

To facilitate the integration of smart city technology into its urban development, the Kingdom of Saudi Arabia has adopted a smart city strategy with the aim of transforming the municipal and residential sector services into smart services through the application of digital technology and the internet of things. Strategic areas include smart parking systems to preserve the environment, housing and smart community management, land and asset management, urban landscape improvement and urban planning. In addition to this, the following are several innovative projects that are currently underway to advance Saudi Arabia's smart city agenda.



Smart Parking in Downton Buraidah – Due to the high demand for parking spots at the heart of the downtown area of Buraidah, the Al-Qassim Municipality partnered with the company Smart City Solutions to develop, operate, and maintain a smart parking system. At a cost of SAR 422 million, the project aims to enhance the quality of life and improve the urban landscape of the city of Buraidah, by providing a modern regulatory parking environment for the downtown area. This will be done through the provision of multi-story car parks, hydraulic parking, and renting parallel car parks. Approximately 8,000 parking spaces, within 26 roads and streets and 18 lots designated for parking within the central city will be created. Based on smart technology, the project aims to regulate the movement of cars, provide customized parking solutions for people with disabilities, and design resolutions that meet the needs of the users.¹²⁶



King Abdullah Economic City – King Abdullah Economic City (KAEC), which is seen as a major contributor to achieving the Kingdom's Vision 2030, is the world's largest privately-funded economic city. KAEC is located on the west coast of the Kingdom of Saudi Arabia, overlooking the Red Sea, and covers a total area of 181 square kilometers. In addition to the Industrial Valley and King Abdullah Port, KAEC is also home to private residences and a unique city living experience. Moreover, it is poised to be one of the greatest enablers of socio-economic development in the Kingdom.¹²⁷



نيوم NEOM

NEOM – NEOM is a Public Investment Fund project. With its unique location on the Red Sea, NEOM is an ideal destination for people who want to be a part of a new model of sustainable and prosperous living. The project is being designed, constructed and operated in a way that is free from the outdated economic and environmental conditions that constrain other cities around the world and is instead being designed as a living laboratory which will be shaped by innovation, entrepreneurship and the application of new technologies. The development itself will consist of mixed-use communities, sports venues, entertainment facilities, research facilities, and tourist destinations, where everything is designed with a human scale in mind.^{128, 129}

NEOM also consists of three eco-friendly sub-projects – the Line, the Oxagon and Trojena. **The Line** is a linear city that spans over 170 kilometers and is expected to enshrine the concepts of zero cars and zero energy. The project includes a seamless integration of high-speed transportation, logistics and digital infrastructure. It is expected that more than 9 million people will live in walkable communities with access to all essential facilities within a 5-minute walk.¹³⁰ **The Oxagon** is an automated next generation port city aimed at redefining the way Saudi Arabia does industrial development and trade. The project itself is a 48 square kilometer clean energy development area where people, industries and technology will work in harmony. Designed as a floating structure, it aims to serve 90,000 people and provide more than 70,000 jobs.¹³¹ **Trojena** is a year-round remote working and eco-tourism destination surrounded by protected nature reserves. The development is meant to serve as a leisure destination offering a wide range of retail, commercial and leisure activities including skiing, water sports, hiking and mountain biking. Where it differs from other developments is that it is based around minimizing its spatial footprint and protecting the natural environment.¹³² Through NEOM and its sub-projects, Saudi Arabia is aiming to diversify its economy, cultivate a thriving business environment and become a new model for conservation and sustainable living.



© NEOM

THE LINE
REVOLUTIONARY URBANISM

THE LINE IS COMPRISED OF A SERIES OF INTERCONNECTED MODULES, REACHING 500M HIGH.

THE CORE ELEMENTS OF EVERY MODULE ARE STANDARDIZED TO MAXIMIZE COMPATIBILITY AND DRIVE DOWN CONSTRUCTION COSTS.

170 KM LENGTH OF THE LINE	500 M ABOVE SEA-LEVEL HEIGHT OF THE LINE
200 M WIDTH OF THE LINE	34 SQ. KM FOOTPRINT OF THE LINE 2% OF CONVENTIONAL CITIES

NEOM

WHAT IS OXAGON?

OXAGON is being built as the future of advanced and clean industries, and a hub for innovation, enabled by an automated port integrated with a smart supply chain network. The coastal city in NEOM will offer exceptional livability, brought to life by thriving communities, designed in harmony with nature.

13% OF GLOBAL TRADE PASSES THROUGH THE SUEZ CANAL	LARGEST FLOATING STRUCTURE IN THE WORLD
90,000 POPULATION BY 2030	100% CLEAN ENERGY
70,000 JOBS BY 2030	48km² OXAGON CORE DEVELOPMENT AREA

7KM

OXAGON

NEOM.COM

TROJENA

A DESIGN AND ENGINEERING MASTERPIECE

World leading architects have collaborated to harmoniously match futuristic structures with NEOM's ancient mountain landscape.

THE VAULT Lava Architecture	THE LAKE bureau^proberts	SKI VILLAGE Aedas
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© NEOM

NEOM

ENDNOTES

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LOCAL HIGHLIGHTS



1

Daka Program | The Riyadh Municipality has launched the "Daka" program, which is a tactical urbanism initiative with the aim of promoting public spaces and integrating creativity into the local community. In addition to its role of increasing the share of open green space in the city, the program also contributes to improving the urban landscape and humanizing the city. Other interventions include allocating space for bicycles, creating places for children's games and providing safe crossing paths for pedestrians.



2

A Voluntary Initiative to Eliminate Unwanted Graffiti in Public Spaces | The Holy Capital (Makkah) municipality is committed to improving the attractiveness and aesthetics of the city. As part of these efforts, the Umrah Sub-Municipality has developed a voluntary program to eliminate unwanted graffiti and to improve the urban landscape in the city. The aim being to create a pleasant and aesthetically pleasing atmosphere for both residents and visitors alike.



3

Spatial Technology System and Solutions | Responding to persisting challenges, the municipality of Madinah developed a digital platform to improve the data sharing process with development partners and raise the accuracy of geospatial information. The initiative is designed to support all municipal works that require high level spatial accuracy, including survey works, real estate, road projects, flood prevention projects, storm water drainage projects and an inventory of municipal assets.



4

Enhancement of the Quality of Life for People with Disabilities | The Jeddah Municipality has signed a joint cooperation agreement with Jouri Center for Care and Rehabilitation. The agreement aims to improve the quality of life of people with disabilities by creating programs, activities and events that enable their participation in the community. This comes as part of a new initiative between the municipality, local NGOs, and public and private sector agencies.



5

Watering for Birds | The Eastern Region Council for Social Responsibility - Obsr- in cooperation with the Eastern Region Municipality, distributed more than 10,000 watering cans for birds in various cities and governorates throughout the region. This was part of the "Community Bond" initiative aimed at increasing awareness about human responsibility for the environment. Schools and education departments were important targets of this program.





6

Humanization of City Project | As part of the Quality of Life Program 2020, Al-Ahsa Municipality seeks to upgrade the parks and public squares in the city of Al-Ahsa. The humanization of cities initiative aims to create a healthy, modern and safe environment in residential neighborhoods. The initiative includes the analysis, design and implementation of parks and public squares to improve the urban landscape and quality of services for its residents.



7

The Light Park | Najran Municipality has established the Light Park in King Fahd Park in Najran. The project is the first of its kind in the Kingdom and will be built across an area of more than 26 thousand square meters. It will include artistic landmarks, fountains, several squares, and many optical and non-light trees and flowers. It also includes sidewalks and corridors covered with luminous arches, covering an area of 423 square meters. In addition to being an outlet for residents to interact and spend time together, the park aims to integrate vital services and facilities to meet residents' needs.



8

Incubators for Youth | The Al-Qassim Municipality, in coordination with other municipalities in the region, is working to establish incubators to enable small business owners, such as street vendors, mobile shop owners, productive families, and mobile food cart owners, to benefit from certain services and opportunities offered by the municipality. The aim is to establish (221) outlets for young men and women across (11) municipal incubators located in parks, squares and public spaces throughout the city.



9

Development of Green Spaces and Recreational Facilities | In line with the Quality of Life program, the Taif Municipality is working towards humanizing its city by increasing the per capita share of recreational facilities and green spaces, while launching a campaign to encourage residents and visitors to practice walking and other activities. This initiative contributes to improving the urban landscape of the city while also promoting public health in the community.



10

Beautiful Hail Initiative | In accordance with the Quality of Life Program, the Municipality of Hail has partnered with the Faculty of Arts at the University of Hail to improve the urban landscapes in the region. The initiative, which aims to eliminate visual pollution while also celebrating the local culture and heritage in the process, seeks to activate local artists by commissioning creative works, such as drawings and inscriptions of Arabic calligraphy. The initiative will include most of the cities and governorates of Hail.



11

Initiative for Cleanliness and Protection of the Environment | The municipality of Hafr Al-Batin launched a volunteer initiative around upholding cleanliness and protecting the environment. The primary aim was to mobilize volunteers to clean up existing waste litter and harmful materials around the green belt of the city. The idea was to create a pleasant and pristine outdoor environment and raise awareness about the importance of environmental protection in the area.



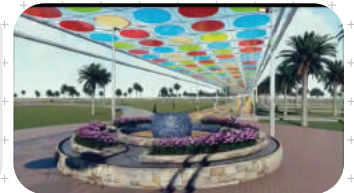
12

The Fruitful Garden | The Municipality of Assir transformed Wadi Laasan from "a deserted valley" into a vast garden. The Wadi, which was previously considered a dark and deserted valley, was transformed into a park and an ideal outlet for both locals and visitors to enjoy. The garden includes walking paths, vegetation and more than 2,405 species of plants including mulberry trees.



13

The Cultural Street | The Municipality of Jazan region began working on the implementation of the cultural street in the northern waterfront of the city of Jazan. The street aims to promote arts and culture, highlight the skills of the creative and talented locals, and create an appropriate place to practice different types of arts and culture in the city. The cultural street extends over 450 meters and contains shaded paths with decorative forms, booths for artists, aesthetic sculptures, and places to practice recreational activities that promote cultural values for youth.



14

Municipal Plant Nursery | The municipality of Tabuk has launched the municipal plant nursery, which has a production capacity of about one million flowers per year, divided across winter and summer seasons. Through the distribution of seedlings and plants throughout the city, this initiative aims to beautify public areas including streets, parks and public squares. The initiative also aims to achieve spending efficiency and self-sufficiency in meeting the needs of the city in the process.



15

Decoration of Public Squares with Paintings of Arabic Calligraphy | The Volunteer Club of the Al-Jouf Municipality participated in celebrating International Day of the Arabic Language (December 18) by decorating seating areas and benches throughout the city with Arabic calligraphy panels. The purpose was to mark this important occasion and to promote the aesthetics of Arabic calligraphy and cultivate a culture of caring for the language. The club implemented the initiative with the participation of an artist specialized in Arabic calligraphy, along with a number of volunteers.



16

Municipal Incubators | The Municipality of Al Baha region has launched a number of municipal incubators with the aim of enabling owners of micro and small enterprises, such as street vendors, mobile shops, productive families and mobile food carts, to benefit from new services and opportunities. The objective of this initiative is to not only strengthen and revitalize the local economy in cities but also to create new job opportunities and contribute to the sustainable development goals in the process.



17

Improvement of Urban Environment | As part of the visual pollution elimination and urban landscape improvement initiative launched by the Ministry of Municipal, Rural Affairs and Housing, the Municipality of the Northern Borders Region implemented an initiative to eliminate visual pollution and improve the urban environment in Shubat Nisab municipality. The initiative included repainting public facilities, the removal of unwanted graffiti in public spaces and the general upgrading of the urban landscape around the city.

***PART 2:
EFFECTIVE IMPLEMENTATION***





2.1

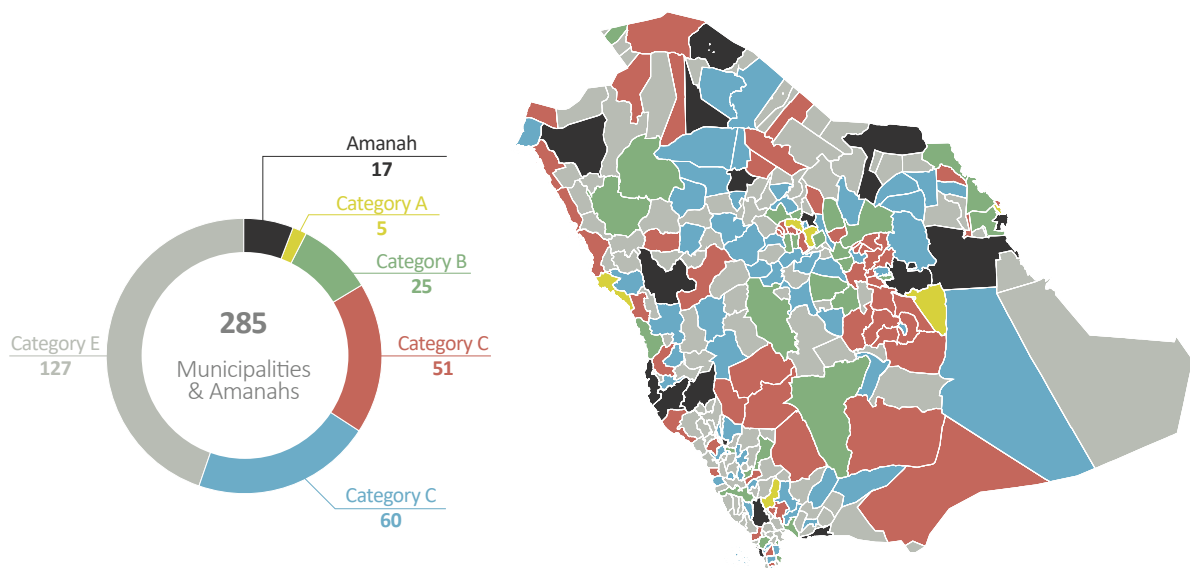
BUILDING THE URBAN GOVERNANCE STRUCTURE: ESTABLISHING A SUPPORTIVE FRAMEWORK



DECENTRALIZATION TO ENABLE SUBNATIONAL AND LOCAL GOVERNMENTS TO UNDERTAKE THEIR ASSIGNED RESPONSIBILITIES

There are three statutes that form the basis of the spatial planning system in Saudi Arabia. This includes the Roads and Building Statute of 1941, the Municipalities and Villages Law of 1976 and the Law of Provinces enacted in 1992.¹³³ In terms of structure, the spatial planning system in Saudi Arabia consists of a multilevel spatial planning system which is defined by the National Spatial Strategy approved by the Council of Ministers Resolution No. 151 in 2001, followed by regional, structural, directive and local development plans and legal frameworks.¹³⁴ Currently, there are 285 municipalities and Amanahs in the Kingdom, which are organized by classification types depending on their size and function (Figure 41).

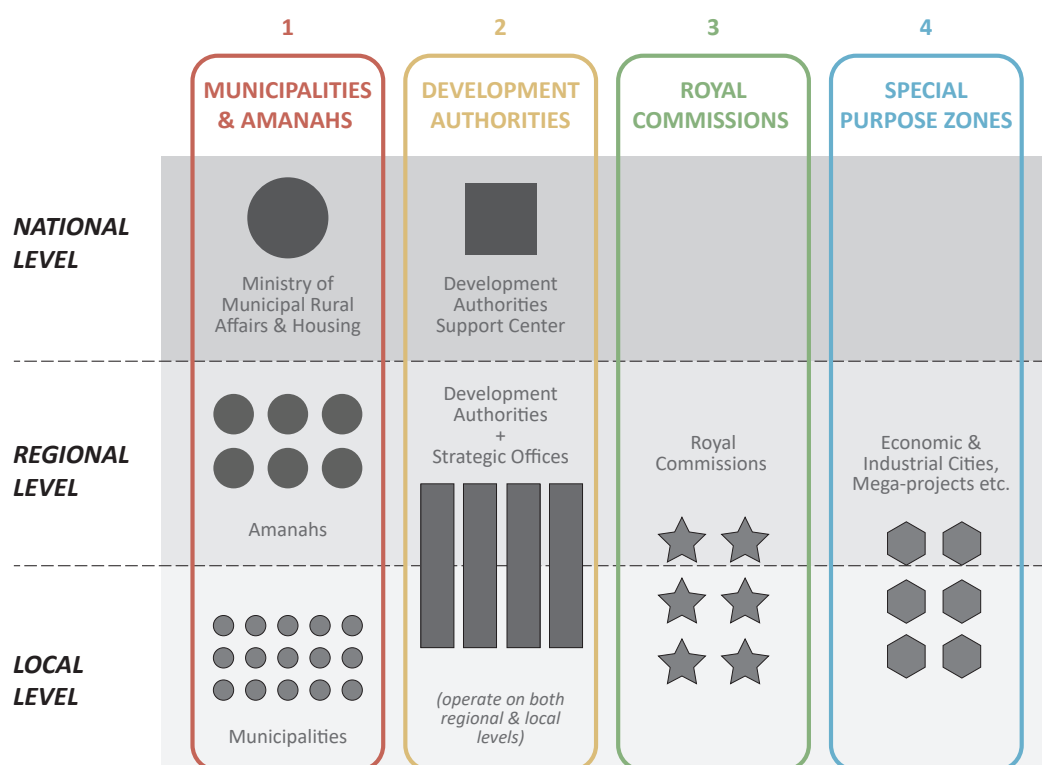
Figure 41. Distribution of Municipalities and Amanahs by classification category, 2021



Source: MoMRAH GIS Department, 2021

Historically, the planning process in Saudi Arabia was centralized, with most of the decision-making power concentrated at the ministerial level. However, in recent years, there has been a growing acknowledgment of the importance of decentralization processes in improving planning and management in cities. Subsequently, efforts are underway to decentralize certain responsibilities to sub-national levels. Decentralization within the Kingdom is currently taking place through several key processes. These are depicted in Figure 42, which shows how decentralization has occurred across 4 main tracks – Municipalities and Amanahs, Development Authorities, Royal Commissions and Special Purpose Zones – each of which is described in further detail below.

Figure 42. Stylistic diagram of main tracks for decentralization in the Kingdom of Saudi Arabia



Source: Report Working Team, 2022

Municipalities & Amanahs – The Ministry of Municipal, Rural Affairs and Housing (MoMRAH), which is tasked with urban planning and the provision of municipal services in the Kingdom’s cities, has been working closely with Amanahs to decentralize strategic responsibilities and to further enhance capacities at the local level. In 2019, MoMRAH made a decision to delegate and enable Amanahs of regions, governorates and ministry officials to exercise their powers within the limits of regulations and instructions aimed at decentralizing decision-making. The decision gives Amanahs more authority to enable them to perform their responsibilities with high levels of efficiency and effectiveness. While Amanahs and municipalities are responsible for numerous municipal functions including urban planning and urban management, further efforts have been made to equip municipalities with the authority, knowledge and tools to perform these functions at the highest level – this includes the establishment of a system for the expropriation of real estate for public benefit, regulations for the management of strategic and municipal assets, approving plans for residential and non-residential lands and their division, allocating sites for services and utilities, among others. In addition to this, MoMRAH has also established the General Department to Support and Empower Amanahs, which is tasked with providing general assistance, overall communication and coordination between the Ministry and the Amanahs, developing publications and educational material, providing planning and performance development support and conducting follow-up and evaluation of achievements.

Development Authorities – Decentralization can also be seen in the creation of Development Authorities, Development Authorities Support Center (DASC) and other strategic offices. The objective of Development Authorities is to maximize the comparative and competitive

advantages of selected regions and to develop an attractive investment climate in partnership with the private sector. During the past decades, the Kingdom has been establishing numerous Development Authorities on both regional and governorate levels across the country. They are mandated with the creation of comprehensive strategies and plans for development that span the areas of housing, economic development, social services, culture, environment, transportation, public services and digital infrastructure among other areas. In addition to the formulation of general development policies, they are also responsible for supervision of the design and implementation of major urban programs and projects within the geographic scope of the authority. In this way Development Authorities serve an important function in advancing the planning and management of cities at the local level. In 2018, the Development Authorities Support Office (DASO) was officially established by Royal Decree and later in 2022 it was elevated to become the Development Authorities Support Center (DASC). The center is now in charge of organizing, coordinating and ensuring integration between development authorities and strategic offices, following up on their efforts, and reviewing the strategic plans and visions of development authorities and strategic offices to ensure alignment. They are also laying the foundation for the preparation of urban codes for different regions and cities across the Kingdom.^{135, 136}

Royal Commissions – Aside from Development Authorities, there are also Royal Commissions and Special Purpose Zones. Royal Commissions are established in areas of strategic importance to the country, including for religious, culture and heritage and industrial purposes. These include the Royal Commission for Makkah City and Holy Sites, the Royal Commission for Governorate of Al-Ula, the Royal Commission for Jubail and Yanbu and the Royal Commission for Riyadh City. The mandate of Royal Commissions varies by commission, nonetheless, they are often responsible for the overall strategic planning and urban development within their supervisory boundaries. For example, the Royal Commission for Makkah City and Holy Sites is an autonomous entity with administrative and financial independence. Organizationally, the commission is linked to the Council of Ministers, and it has supreme authority over all works, services and projects within the geographic scope of the Holy City of Makkah and the Holy Sites. It aims to improve the business and services provided and to achieve prosperity and sustainable development in line with the status and sacredness of Makkah Al-Mukarramah. In addition, it also has the authority to formulate general policies, review current plans, propose regulatory frameworks, monitor performance, supervise existing projects, determine priorities and enable existing authorities to implement approved projects for the city.¹³⁷

Special Purpose Zones – Another form of decentralization is achieved through the Special Purpose Zones. They are strategic zones that are managed by designated authorities depending on their purpose and function. For instance, the Economic Cities and Special Zones Authority, which was established in 2010 by a Royal Decree, is empowered to assume full supervision (administratively and financially) over economic cities and special economic zones; including the responsibility for organizing, supervising and providing government services with high efficiency to both investors and residents. Another example includes zones which fall under the supervision of the Saudi Authority for Industrial Cities and Technology Zones (Modon). Since its establishment in 2001, Modon has been undertaking the development and supervision of industrial lands and integrated infrastructure. Today, it oversees 36 industrial cities as well as private industrial cities and complexes across the Kingdom.¹³⁸

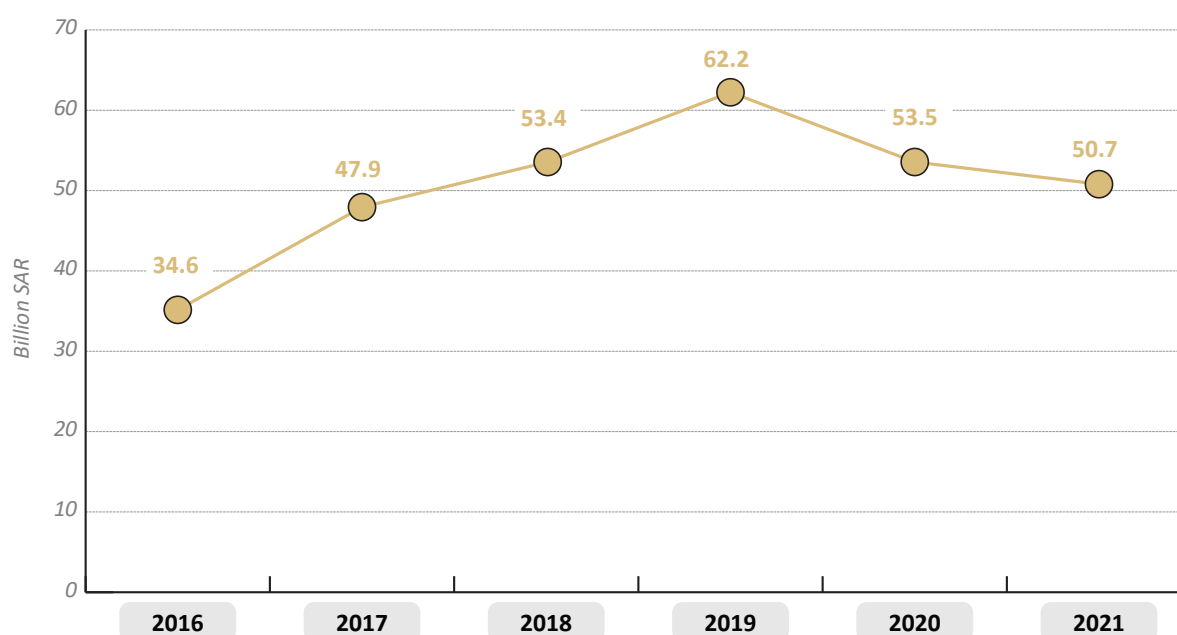
LINK URBAN POLICIES TO FINANCE MECHANISMS AND BUDGETS

In recent years considerable progress has been realized in the municipal sector in Saudi Arabia. This has occurred alongside growing recognition of the role of human settlements and the importance of expanding public services and facilities to improve the standard of living in cities and villages throughout the Kingdom. An important emphasis in recent years, which is set out in the National Spatial Strategy, is to promote more balanced spatial development and put in place efforts to reduce spatial disparities. Such efforts have been focused on improving the coverage of municipal services in all regions of the Kingdom as well as increasing the overall proportion of the population with access to services.

Much of the success in the municipal sector can be attributed to improved capacities as well as substantial financial allocations. Financing is particularly critical for meeting services and infrastructure needs and to promote economic growth. It is worth noting that in the Kingdom of Saudi Arabia, typically municipalities are not responsible for generating their own revenues through taxes, but instead the majority of their budget allocations tend to come in the form of transfers from the central government. Funding allocation therefore consists of annual line items as well as municipalities submitting proposals to fund specific activities. Such projects are then reviewed, and the appropriate funding allocated based on the importance and viability of the project. In recent years, however, some municipalities have explored new ways of generating local revenues, including in the form of utilizing land assets. During the fiscal year 2020, the municipal sector worked to improve the financial balance with the Amanahs and municipalities to develop direct revenues and raise the percentage of its contribution to covering expenditures. The percentage of reliance on self-resources in financing the operational budget managed to reach 29 percent during this year.¹³⁹

Figure 43 illustrates the annual budget of the municipal service sector between 2016 and 2021, which rose from 34.6 billion SAR in 2016 to a peak of 62.2 billion SAR in 2019 before declining to 50.7 billion SAR in 2021. The decline in annual budget in 2020 and 2021 can largely be attributed to a reallocation of funds to respond to the COVID-19 pandemic.

Figure 43. Annual budget of municipal services sector, 2016-2021



Source. Saudi Central Bank (SAMA), Annual Statistics, 2020

Investment in the municipal sector has also contributed towards local economic development opportunities, namely in the private sector. For one, investment in infrastructure projects has resulted in the creation of jobs in the construction sector which have helped to stimulate the local economy. In addition to this, as municipalities explore opportunities to improve service delivery, efforts are currently underway to privatize strategically identified municipal services, such as transportation and waste management, resulting in new companies and new employment opportunities along the way. This is taking place through the Vision 2030 Privatization Program which was launched in 2018. The Privatization Program seeks to identify government assets and services that can be privatized in several sectors, develop the privatization system and mechanisms, define public and private sector partnership frameworks to enhance the quality and efficiency of public services, and support contributions to economic development.¹⁴⁰

In the municipal sector, a partnership initiative between municipalities and the private sector for the development of municipal lands is currently being prepared in Makkah, Al Madinah, Riyadh and Eastern Province with the aim of rolling out across the rest of the Kingdom at a later stage. The initiative seeks to enhance the utilization of municipal owned lands through developing them in partnership with the private sector and making use of state-owned assets to increase the private sectors contribution to the local economy and create quality jobs.¹⁴¹

DEVELOP LEGAL AND POLICY FRAMEWORKS TO ENHANCE THE ABILITY OF GOVERNMENTS TO IMPLEMENT URBAN POLICIES

National policy frameworks serve as the roadmap and guiding framework for development in most countries. Their role is to provide strategic direction and set out priorities to guide the different government and non-government stakeholders in a country as well as to provide guidance and understanding for the citizens. As noted in the New Urban Agenda, national policies are important tools for promoting urbanization and the building of an integrated system of cities to help to secure that city's contribute to national development. In line with this, Saudi Arabia has a number of important policy mechanisms that help to manage its national development, namely through its National Development Plans (NDP). NDPs, which are the responsibility of the Ministry of Economy and Planning, are the guiding framework and principal tool to articulate development policy in the Kingdom. These plans usually span a 5-year time horizon and focus on thematic issues of importance. In previous years, themes included housing, industrial development, education, private sector and so on.

The Vision 2030 Framework has now replaced the NDP as the guiding policy document for the country. With oil accounting for 30-40 percent of the country's GDP, the purpose of Vision 2030 is to reduce Saudi Arabia's dependence on oil by diversifying the economy, increasing competitiveness and developing public service sectors in areas such as tourism, education, health and so on. Vision 2030 is built around three main themes of: a vibrant society, a thriving economy and an ambitious nation. As summarized in the Saudi Cities Report (2019), the Vision 2030 Framework is expected to result in the following urban management changes:¹⁴²

- Committing to a high level of security and development in cities
- Ensuring the provision of high-quality services
- Reducing pollution, fighting desertification and optimizing the use of water
- Providing equal employment opportunities for all
- Increasing the role and contribution of small- and medium-sized enterprises
- Increasing the long-term contribution of the private sector to the economy
- Reforming regulations to pave the way for investors and the private sector to acquire and deliver services
- Shifting the government's role from providing services to regulating and monitoring
- Applying international legal and commercial regulations to create a business environment conducive for long-term investment
- Setting and upholding high standards of administrative and financial accountability
- Deepening communication channels between government agencies, the public and the private sector
- Examining government structures, procedures, roles, responsibilities and capabilities
- Creating a more conjoined government with clearer links between policy decisions, delivery and performance
- Making public spending radically more efficient and resource use more effective

The Kingdom of Saudi Arabia has advanced 8 rankings from 83 to 75 in the World Bank's Government Effectiveness Index during the past five years.

Source: Kingdom of Saudi Arabia's Vision 2030

With approximately 85 percent of Saudi Arabia's population residing in urban areas, notably, cities will play an important role in bolstering new economic opportunities and transforming the lives of Saudi citizens and residents. To ensure that the municipal sector is equipped to deliver on the ambitions set out in the Vision 2030 framework the Municipal Sector Transformation Strategy has been developed. The strategy seeks to enable the Kingdom's vision by transforming the municipal system through new approaches, innovative private sector partnerships and disruptive technologies to efficiently and effectively deliver services. This will be achieved through a series of major shifts including strengthening the core operations and regulations, privatization and fiscal sustainability, smart cities and citizen engagement and ensuring long term sustainable change.

To align its mandate to achieve the goals set out in Vision 2030 and the MoMRAH strategy, the Ministry of Municipal, Rural Affairs and Housing has created eight strategic programs to transform the municipal sector.¹⁴³

Spatial Planning and Visual Appeal Program – This program aims to achieve urban sustainability in Saudi cities and villages while improving their visual appeal and raising the standard of living in the process.

Cities Infrastructure Development Program – This program focuses on assuring effective infrastructure development and maintenance, and that sanitation and environmental protection projects are implemented with high quality and spending efficiency.

Housing and Real Estate Development Program – This program aims to provide suitable housing solutions for Saudi families, to increase real estate development efficiency, to ensure housing sustainability and to develop regulations and legislation.

Talent Management Program – This program aims to foster a positive work environment that strengthens and retains the capacities of current employees, attracts outstanding talent and enhances the efficiency of the workplace.

Privatization and Financial Sustainability Program – This program aims to advance the Ministry’s vision by taking advantage of investment opportunities, establishing innovative partnerships, increasing efficiency in capital and operational expenditures, privatizing assets and services and ensuring accurate financial planning.

Financial Sector Development Program – This program seeks to create an integrated financial system by establishing a financial structure and strategic partnerships that include all organizations within the municipal sector.

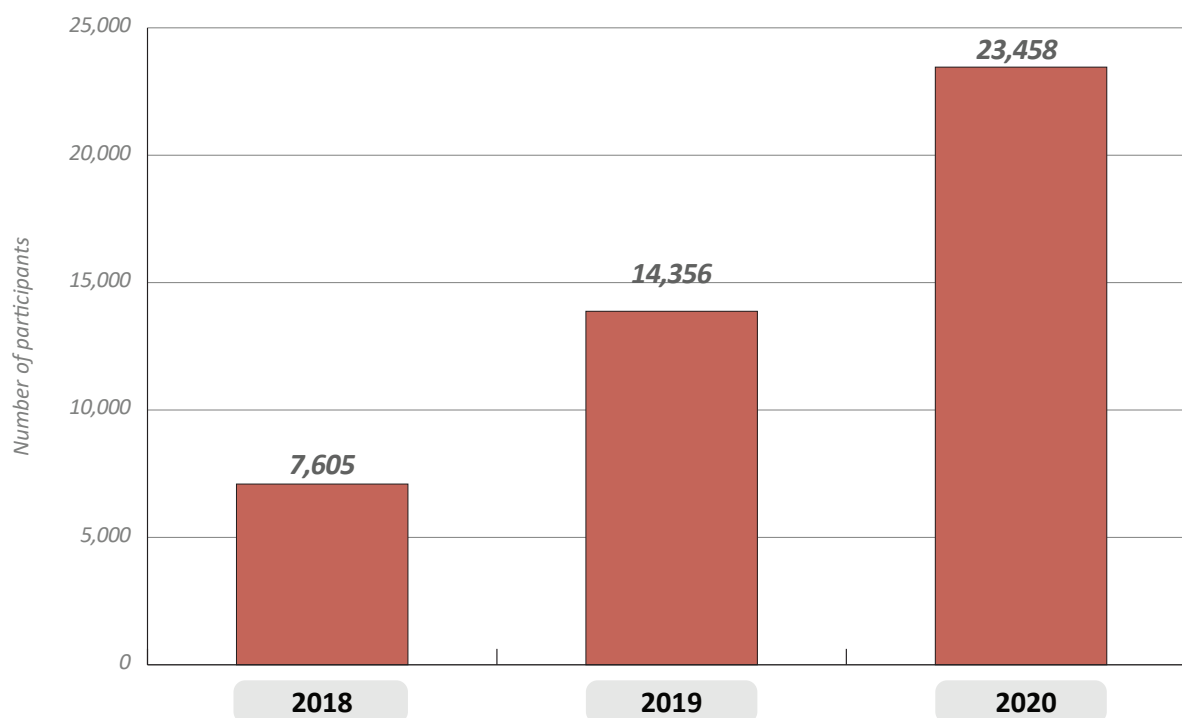
Licensing and Compliance Program – This program establishes and regulates licensing and compliance work as well as capabilities to ensure quality and sustainability of supervision and to improve overall effectiveness and efficiency.

Business and Data Intelligent Transformation Program – This program enhances and unifies digital infrastructure and data to support decision-making and develop innovative business models to enhance data-driven services and advance a modern work experience.

DEVELOP THE CAPACITY OF LOCAL AND SUBNATIONAL GOVERNMENTS TO IMPLEMENT LOCAL AND METROPOLITAN MULTILEVEL GOVERNANCE

In order to deliver on the ambitious aspirations set out in the Vision 2030 Framework as well as to promote the principles of sustainable urban development found in the New Urban Agenda and the Sustainable Development Goals, the Kingdom of Saudi Arabia has invested in developing the capacities of local governments. This is occurring in line with the growing decentralization of responsibilities which call for new skills and new levels of leadership at the local level.

To facilitate this process, efforts have gone into establishing training programs, organizing development courses in various areas of specialization aimed at raising the skills and competencies of local administrations. A forward-looking approach is helping to ensure that the capacities being built are not just relevant for today but also take into consideration the future trajectory of the municipal sector within the Kingdom and the skills needed to perform these roles. Figure 44 showcases the number of participants in training and capacity building activities from the Ministry of Municipal, Rural Affairs and Housing (MoMRAH) across the entire Kingdom. The data indicates that the number of participants has increased year on year, rising from 7,605 in 2018 to 23,458 in 2020; the number of participants has more than tripled over a three-year period.

Figure 44. Number of participants in training activities (MoMRAH), 2018-2020

Source. MoMRAH Open Data, various years

There are a number of areas where efforts are being made to develop the capacities of staff in the municipal sector. Among the most important is the launching of the training program for developing future leaders. This effort aims to enrich the future leaders of the municipal sector through training and practice activities in the fields that are most relevant to their work. This is done by not only developing their capabilities but also training them for leadership roles, including participatory management, modern persuasion skills, conflict resolution and community service. These future leaders are also equipped with skills to develop and implement change management practices and institutional development within their organizations; added emphasis is placed on empowering leaders with the necessary communication skills for stakeholder engagement. To complement this, an initiative to launch workshops and train the leadership team to lead the strategic transformation of resource management in the ministry is also underway. This includes several programs and workshops aimed at raising the capacities of the participants in the areas of awareness of competencies and planning, career management, performance management, identifying training needs, succession procedures and defining the role of partnerships in utilizing human resource services.¹⁴⁴

In addition to this, efforts are also being placed on raising awareness around the importance of community participation and volunteerism in the municipal sector. This is being done through the revamping of the municipal volunteering departments in the secretariats. Utilizing the existing national volunteer platform, a program has been designed for the identification and qualification of volunteers to perform specific tasks in the community and to improve the performance of municipal volunteerism.¹⁴⁵

IMPLEMENT PARTICIPATORY, AGE- AND GENDER-RESPONSIVE APPROACHES TO URBAN POLICY AND PLANNING

To an increasing extent, participatory approaches to urban planning have been used to expand stakeholder engagement and representation in the planning process and to increase the success of projects on the ground. Participation helps to ensure a more effective and efficient development process and helps to secure that citizens' needs are being addressed while increasing civic responsibility. Public engagement also tends to increase the successful implementation of projects as public acceptability and support can be garnered during the engagement process.

In recent years women's involvement in society, and in particular the urban development dialogue, has been on the rise. Women, in particular, played an important role in the 9th (2010-2014) and 10th (2015-2019) National Development Plans, emphasizing greater participation in society and in the labor force and diversifying higher education opportunities (university and technical) to better respond to individual's needs. The Vision 2030 Framework continues this positive trajectory by recognizing that a successful, modern nation must encourage and empower all members of society. Recent advancements include increased protection from employment discrimination, empowering women in education and training, equal retirement age, health security and so on.^{146, 147}

There are various organizations that exist to promote the interests and participation of children and youth in urban development activities. The Ministry of Sport, for example, is responsible for coordination of sports and social activities, while organizations such as the Red Crescent and the Boy Scouts engage in youth activities and volunteer work. In some municipalities, there are also community-based programs to engage young people in community service and volunteer work. In 2013, the government, through the support of UNDP developed the National Youth Strategy which identified priorities, directions and practical activities to engage youth productively.¹⁴⁸ Moreover, new forms of digital technology are helping to promote education and engagement of children and youth in their communities. In addition to this, Vision 2030 recognizes that its young population is one of its greatest assets and that efforts need to be made to engage them. Examples include harnessing their energy by expanding entrepreneurship and enterprise opportunities for them.¹⁴⁹

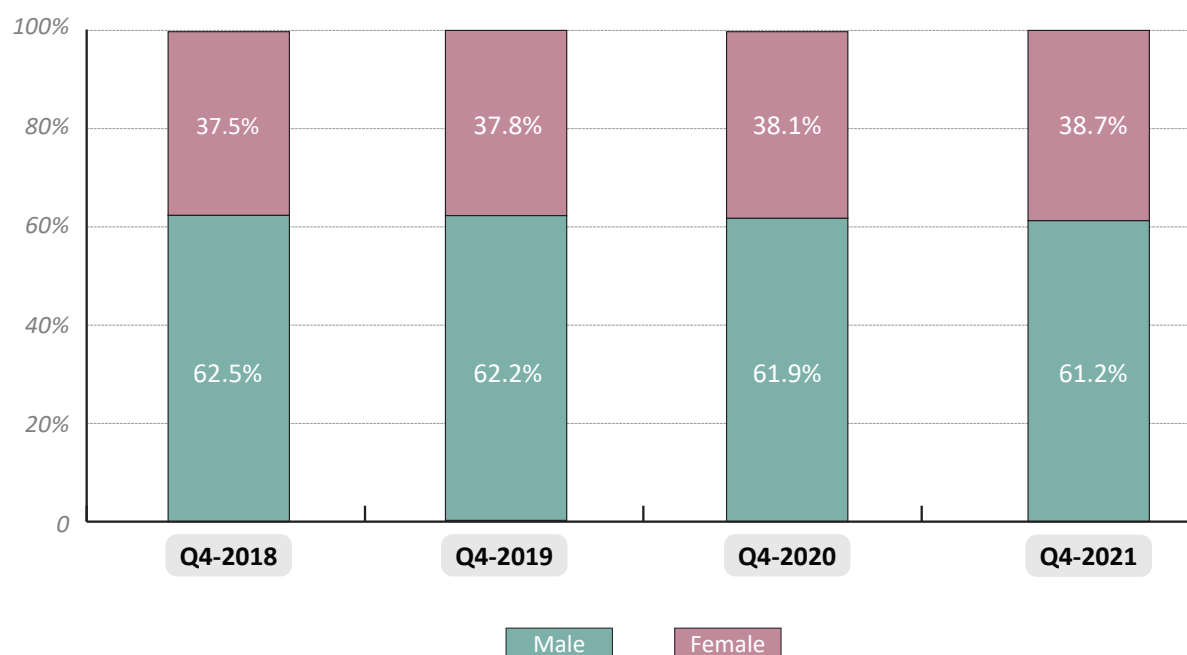
In addition to this, the elderly population in Saudi Arabia is recognized for their important contributions to society – as family members, volunteers and active members of the workforce. To honor and highlight these contributions, every year, the Kingdom of Saudi Arabia celebrates the International Day of Older Persons. This day aims to raise awareness about the issues and challenges older people face in today's world. There are also several established programs aimed at activating and improving the quality of life for the aging population in Saudi Arabia. Under the National Transformation Program, for example, the government has established initiatives commensurate with the needs of the aging population, including health services, physiotherapy and recreational clubs, and the establishment of specialized civil societies for the elderly.¹⁵⁰ The Kingdom of Saudi Arabia remains committed to creating inclusive platforms to promote the participation of all types of stakeholders in society.

ACHIEVE WOMEN'S FULL PARTICIPATION IN ALL FIELDS AND ALL LEVELS OF DECISION-MAKING

As previously mentioned, the Kingdom of Saudi Arabia is currently in the process of undergoing a number of system wide reforms as well as putting in place mechanisms to ensure that women are equally participating in society and that they are also provided with a voice at the decision-making tables. The goal being to improve representation and ensure a wider number of voices are included in important dialogues.

Building on what was previously mentioned, another area where such reforms have been noticeable is in terms of increasing women's representation in government. To bridge the gap and achieve gender balance in the government sector, a project was created to promote female participation in the civil service. The project focused on identifying and removing obstacles and barriers to promote equal career opportunities between the sexes. The government has also launched awareness campaigns and provided training opportunities to create a more inclusive culture for women in the workplace built on mutual respect.¹⁵¹ As can be seen in Figure 45, the proportion of women employed in the public sector had already reached 37.5 percent in 2018, experiencing a slight rise to 38.7 percent in 2021. While there is still work to be done, efforts are being put in place to move the Kingdom towards gender parity.

Figure 45. Percentage distribution of employed persons in the public sector by sex, 2018-2021



Source. GASTAT, Labor Market, various years. Percentages are based on the author's calculations.

To promote the role of women in leadership positions, the National Platform for Women Leaders was created. This is an electronic platform that was launched in 2020 with the aim of identifying and engaging outstanding women in the workplace. The platform functions as a repository of women leaders in both the public and private sector, documenting their success stories, serving as a steppingstone for nomination to councils and committees and linking them with new opportunities both domestically and internationally (ie. forums and events).¹⁵² The platform has experienced significant success in raising the profile of a number of women in Saudi leadership positions.

The Kingdom has managed to advance five times in the “Global Competitiveness Index” since 2017, bringing the kingdom’s ranking in the index to 36th globally, and ranking first in the world in terms of reforms for working women according to the Global Competitiveness Report issued by the World of Economic Forum.

Source: Kingdom of Saudi Arabia's Vision 2030

ENDNOTES

- ¹³⁴ Saudi Arabia National Report for Habitat III, 2016
- ¹³⁵ Royal Decree, Council of Ministers Decision No. 475, 2018
- ¹³⁶ <https://www.spa.gov.sa/2296150>
- ¹³⁷ <https://www.rcmc.gov.sa/about-us>
- ¹³⁸ <https://www.my.gov.sa/wps/portal/snp/agencies>
- ¹³⁹ Ministry of Municipal, Rural Affairs and Housing Annual Report, 2020
- ¹⁴⁰ <https://www.vision2030.gov.sa/v2030/vrps/privatization/>
- ¹⁴¹ https://www.ncp.gov.sa/en/MediaCenter/News/Documents/Privatization_Projects_Manual_UpdatedEN.pdf
- ¹⁴² Saudi Cities Report, 2019
- ¹⁴³ Strategy Implementation Program, 2022
- ¹⁴⁴ MoMRAH Annual Report 2020
- ¹⁴⁵ MoMRAH Annual Report 2020
- ¹⁴⁶ Saudi Arabia National Report for Habitat III, 2016
- ¹⁴⁷ <https://www.saudiembassy.net/sites/default/files/Factsheet%20on%20Progress%20for%20Women%20in%20Saudi%20Arabia.pdf>
- ¹⁴⁸ <https://www4.unfccc.int/sites/NAPC/Country%20Documents/Parties/Saudia-Arabia---CCSF.pdf>
- ¹⁴⁹ https://www.vision2030.gov.sa/media/rc0b5oy1/saudi_vision203.pdf
- ¹⁵⁰ <https://www.moh.gov.sa/en/awarenessplatform/ElderlysHealth/Pages/ElderlyCare.aspx>
- ¹⁵¹ Ministry of Human Resource and Social Development Report, 2019
- ¹⁵² Ministry of Human Resource and Social Development Report, 2019

2.2 PLANNING & MANAGING URBAN SPATIAL DEVELOPMENT



IMPLEMENT INTEGRATED AND BALANCED TERRITORIAL DEVELOPMENT POLICIES

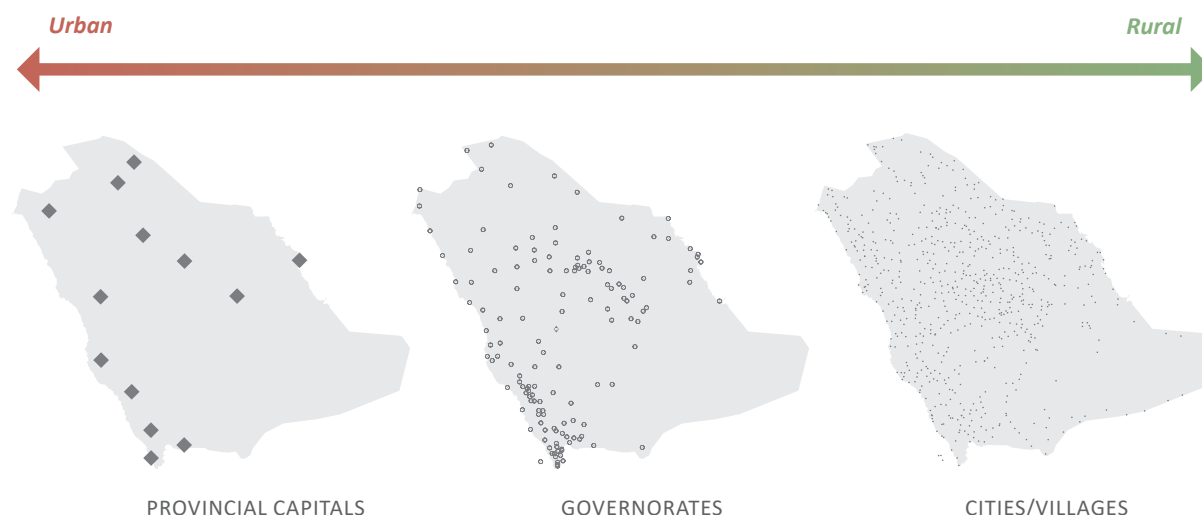
Historically, masterplans have been the typical tool to achieve long term planning objectives in the Kingdom of Saudi Arabia. This facilitated the orderly arrangement and coordination of space and functions at the settlement level. However, as planning objectives changed and greater emphasis was placed on new spatial arrangements and changing economic circumstances, this called for greater coordination among settlements, requiring regional and territorial approaches to planning that could account for new dynamics (urban-urban, urban-rural and rural-rural relationships). Figure 46 illustrates the distribution of urban and rural settlements throughout the Kingdom by settlement type for 2021. As can be seen, settlements follow a typical hierarchy with few larger cities (ie. provincial capitals), a larger amount of medium sized cities and many smaller cities and villages.

To promote the best uses of economies of agglomeration and to bridge the urban and territorial divide and regional disparities, Saudi Arabia has utilized a National Spatial Strategy (NSS) to provide the roadmap for better regional coordination. This includes the creation of development corridors and targeted investment in less developed regions, as well as designating small and medium sized cities as regional growth centers.

The National Spatial Strategy is a set of guidelines and policies prepared to promote urban and rural linkages and to achieve balanced development in the Kingdom. While Saudi Arabia's first NSS was prepared in 1985, multiple revisions have occurred in 1987, 2000, 2005 and 2016. The NSS historically touched upon the following objectives:¹⁵³

- Promote a spatially balanced pattern of population distribution within the country
- Minimize the negative consequences of rapid population growth in major cities
- Ensure efficient utilization of existing infrastructure and public services
- Support the overall growth of small and medium cities
- Diversify economic centers in different regions to fully utilize their existing and potential resources
- Support new development projects that contribute to linking rural and urban areas
- Supporting selected cities to function as 'growth centers' to prevent the concentration of population in major cities
- Improve the administrative structures of selected growth centers
- Supporting the development of cities in border areas to strengthen national security

To keep abreast with recent developments and challenges in urban planning, and to achieve sustainable urban development for all regions and cities, an update of the National Spatial Strategy is currently in progress (NSS 2030). NSS 2030 departs from previous forms of the spatial strategy in that it emphasizes spatial efficiency. While previous forms of the NSS focused on balanced spatial development, NSS 2030 seeks to create a smart spatial structure that fosters the competitive advantages of different regions and places emphasis on sustainable management. Today, the National Spatial Strategy serves as a guiding roadmap to support the ambitions set out in Vision 2030 and to promote national spatial development. It is also seen as a critical tool for diversifying away from an oil-based economy to an urban-based economy.

Figure 46. Distribution of urban and rural settlements by type, 2021

Source. General Authority for Survey and Geospatial Information, 2021

INTEGRATE HOUSING INTO URBAN DEVELOPMENT PLANS

Housing and basic services are an essential component to urban development. Unfortunately, in most countries housing issues are often treated from the perspective of housing supply, with limited recognition to the important role they play in other areas of urban development such as locational decisions, transportation, service provision, access to employment and other public amenities and so on. This reinforces a situation where key urban development decisions are taken in isolation from each other, creating a siloed effect and a disconnect from important components of a city. To overcome such challenges, urban planning needs to take place in a more comprehensive and integrated way; particularly when it comes to housing.

In Saudi Arabia, the Ministry of Housing was historically responsible for fulfilling the sufficient supply and demand necessity through developing housing programs that stimulated the private and public sectors through cooperation and partnership in organizing, planning and monitoring housing. In accordance, the Ministry of Municipal and Rural Affairs was responsible for the oversight and regulations of municipalities across the country's cities, towns and villages; a key component of their work was urban planning and management including service provision. While each was responsible for their specific mandates, it became evident that there was a greater need for integration among these two important counterparts and the issues that they were responsible for.

In 2021, a royal decree was issued to merge the Ministry of Housing with the Ministry of Municipal and Rural Affairs, with the aim of ensuring greater integration and coordination among these entities. Today the newly formed Ministry of Municipal, Rural Affairs and Housing (MoMRAH) is responsible for urban planning for the cities of the Kingdom and the resulting provision of basic equipment for roads, beautification of cities, and development of municipal and rural areas, in addition to the services necessary to maintain the cleanliness and health of the environment in the Kingdom. On top of this, they are responsible for organizing all tasks related to housing in the Kingdom of Saudi Arabia, including offering initiatives, programs and projects for individuals and the business sector. With the housing and municipal sectors representing important and vital sectors that shape the quality of life for those that live in urban and rural areas, this merger presents an opportunity for the government to improve the cities and villages throughout the country through a better supply of housing and basic services in line with important planning decisions such as employment, access to public spaces and within proximity of other important urban amenities. ^{154, 155, 156}

INCLUDE CULTURE AS A PRIORITY COMPONENT OF URBAN PLANNING

Shaped by the diversity of its people, the Kingdom of Saudi Arabia has a long and rich culture which forms the identity of the Kingdom. There are 13 distinct regions in the country, all of which have their own unique dialects, traditions, heritage, music, culinary identity and so on. Given the social and economic opportunities presented by Saudi Arabia's rich cultural heritage, this has become an important pillar of the Vision 2030 Framework.

In 2018, the Ministry of Culture was established with the mandate of overseeing a cultural transformation that supports the growth and expansion of the country's creativity and to develop an enabling cultural sector that unlocks the Kingdom's creative potential.¹⁵⁷ This is being done through 11 Cultural Commissions including: museums; films; music; libraries; fashion; heritage; literature, publishing and translation; architecture and design; theater and performing arts; visual arts; and, culinary arts. In an effort to preserve the rich Saudi architectural heritage and to celebrate the authentic Saudi architectural identity, the Architecture and Design Commission launched the King Salman Charter for Architecture and Urbanism in 2021. The charter, which is inspired by the Kingdom's history and culture and aims to commemorate King Salman's values, is meant to inspire creative experiences and strive to capture the essence of Salamani Architecture, which has gained prominence among the various architectural styles around the world. The charter, which contains six pillars (authenticity, continuity, human-centricity, livability, innovation and sustainability), alphabetizes a design methodology that underscores the Kingdom's unique architecture and urban form, while functioning as a guidance for specialists, decision-makers, and those interested in architecture and urbanism.¹⁵⁸



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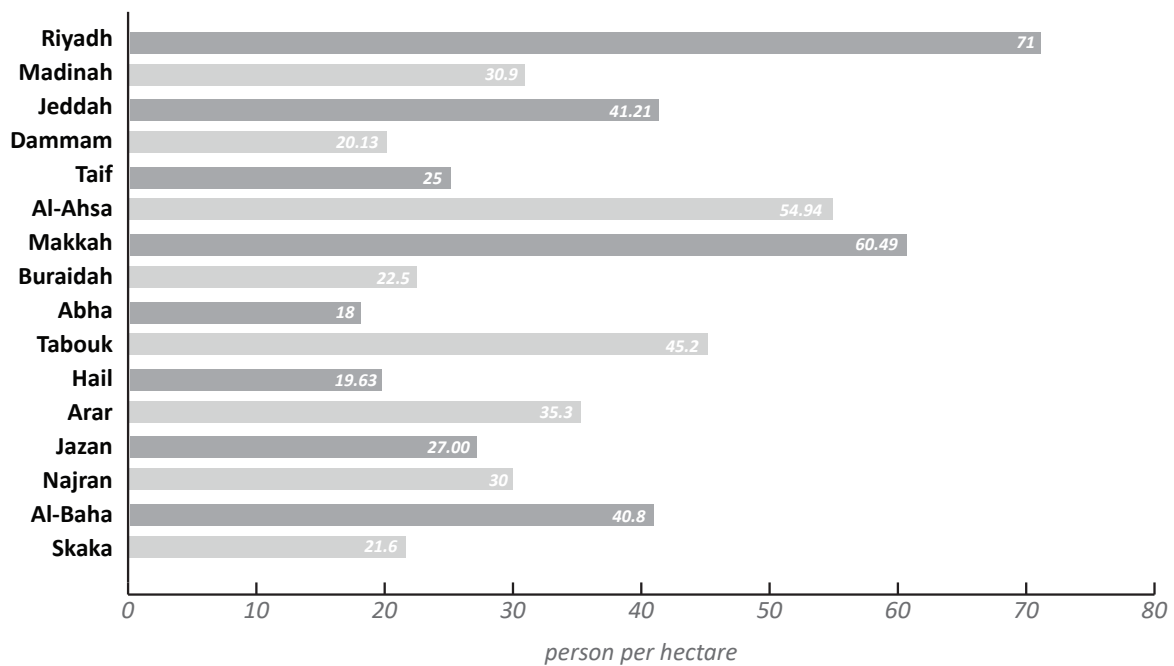
In 2022, the Ministry of Municipal, Rural Affairs and Housing in coordination with the Development Authorities Support Center is preparing a set of architectural guidelines for the built environment in all thirteen regions of the Kingdom. The purpose of the guidelines is to protect the Kingdom of Saudi Arabia's cultural heritage, while providing a source of inspiration for architectural interventions in the process. The guidelines will take the form of National and Regional Design Guidelines. The National Design Guidelines (NDG) introduce the program of regional architectural identity across the Kingdom, including setting out its core principles and the foundation of integrated, contextual design. The NDGs form the basis for regulation at the national level, in alignment with other related national level guidance. The Regional Design Guidelines (RDG), on the other hand, set out the basis for new distinctive local architecture, while reflecting the traditions and geography of the region, its sub-regional variety and unique characteristics. The RDGs form the basis for regulation at the municipal level. In order to accurately capture the unique characteristics of the built environment and to reflect Saudi Arabia's diverse landscapes (ie. mountains, oasis, desert, rural, agricultural, and so on), these guidelines are being developed through a consultative process closely aligned with the people that inhabit each region. By addressing the potentials, challenges, successes and failures of the existing built environment, the purpose of these manuals is to ensure that the Kingdom's physical depiction of its people's cultural ideals are maintained and realized.



To supplement the design guidelines, the Ministry of Municipal, Rural Affairs and Housing is preparing an Urban Code. The Urban Code initiative comprises a set of detailed regulations, requirements, and guidelines for organizing the urban form of buildings and linking them to their public surroundings by means of an established identity. Key objectives of the Urban Code include preserving the local urban and architectural identity, integrating urban and architectural elements into a common framework for the urban environment and the preparation of long-term plans for urban development and urban landscape design within the city. The initiative contributes to raising the quality of the urban environment and achieving the highest levels of balance between people, buildings and the environment.

IMPLEMENT PLANNED URBAN EXTENSIONS AND INFILL, URBAN RENEWAL AND REGENERATION OF URBAN AREAS

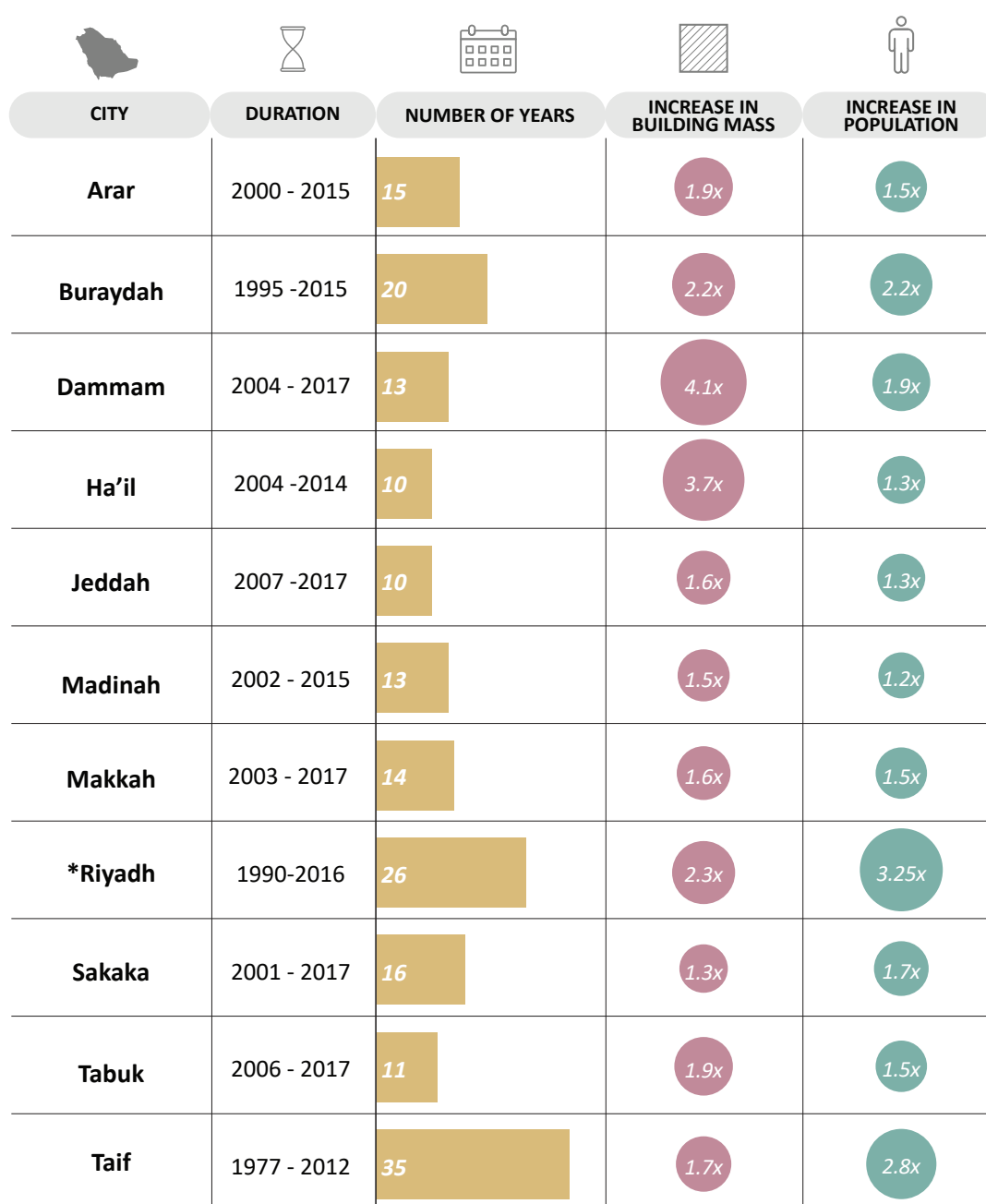
The Kingdom of Saudi Arabia's population currently sits at just over 34.8 million with projections expecting it to increase to 44.5 million by 2050. To accommodate this growing population, cities will have to build up or set aside the appropriate amount of land to keep pace with this growth. One of the most significant challenges in Saudi Arabia at the moment is the low population density in its cities. This can be seen in Figure 47, which depicts the population density for a sample of cities. Riyadh for example, registers a population density of 71 persons per hectare, while Abha has a population density of just 18 persons per hectare.

Figure 47. Population density of built-up area in main cities in Saudi Arabia

Source: Saudi City Profiles, Future Saudi Cities Program, various years

Expanding the city limits have been the most common form of making room for growth in Saudi cities. This means that many cities throughout the Kingdom are characterized by urban sprawl, fragmentation and leapfrog development. Figure 48 illustrates the growth in urban population relative to the increase in building mass (urban extent) for a selection of cities in Saudi Arabia. As can be seen, in most instances the footprint of the city has been growing at a faster pace than the population itself, indicating a tendency towards urban sprawl. In the case of Arar for example, between 2000 and 2015 the building mass increased by 1.9x over the 15-year period, while the population increased by only 1.5x.

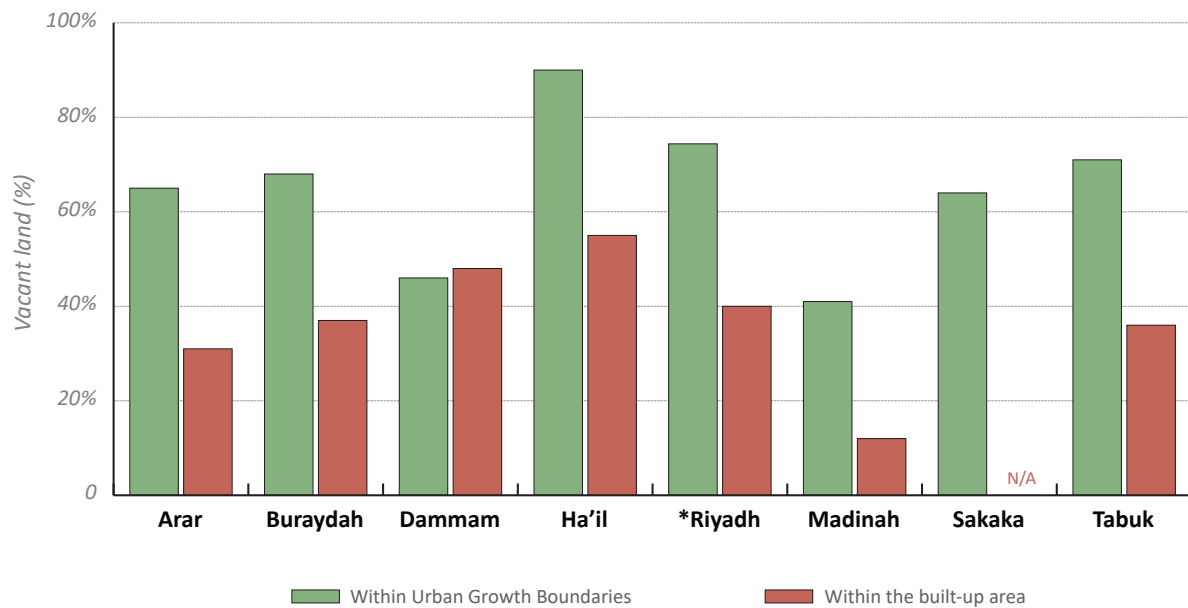
Figure 48. Growth in population and urban extent for select cities, various years



Source. Saudi Cities Report, Future Saudi Cities Program, 2019 – estimated from Saudi City Profiles.

*Figures are provided by Royal Commission for Riyadh City

In addition to this, another common feature of Saudi cities is the existence of 'white lands', which are defined as vacant or undeveloped plots of land designated for residential or commercial use and situated within the boundaries of the city. As can be seen in Figure 49, the amount of vacant land within both the built-up area and within the urban growth boundaries is particularly high in some cities. In Hail for example, the amount of vacant land within the built-up area is more than 50 percent. Such patterns of urban development become unsustainable and contribute to urban sprawl which brings with it other urban planning challenges such as higher costs of real estate, increased congestion, long commuting times and an elevated cost of service provision.

Figure 49. Vacant land in selected Saudi cities, 2019

Source. Saudi Cities Report, Future Saudi Cities Program, 2019 – estimated from Saudi City Profiles.

*Figures are provided by Royal Commission for Riyadh City

To define urban administrative areas and to guide the future development of urban areas, the Ministry of Municipal, Rural Affairs and Housing sets out Urban Growth and Development Boundaries (Nitaq Omrani). The boundaries are divided among Phase 1 (2014), Phase 2 (2014-2030) and an Urban Protection Zone. The latter defines the extent of land needed for future growth and protects this land from institutional or individual claims for development. In accordance with the Comprehensive Strategic Plans and/or Local Plans, development projects should only take place within the urban limits of Phase 1 and 2. National and regional projects of special interest such as industrial towns, universities, airports under specified criteria can be located outside of these zones. MoMRAH has developed regulations for Urban Growth and Development Boundaries stipulating general development principles to ensure that different levels of spatial strategies are coordinated.¹⁵⁹

Another approach that the Kingdom of Saudi Arabia has been taking to overcome urban sprawl and fragmentation in recent years is to focus on densification and urban infill projects. Planned city infills are seen as a useful tool to promote urban development in a more orderly manner while promoting a more efficient and cost-effective urban form. Urban infill strategies in Saudi Arabia consist of development within the existing urban extent by directing development towards unbuilt parcels of land. For example, the Riyadh metro system has been designed around the concept of Transport Oriented Development (TOD), consisting of densification and mixed-use strategies, concentrated around strategic metro stations and the promotion of human centered urban development to promote walkability. The White Lands Law being implemented by MoMRAH, has sought to crack down on vacant and idle land within the built-up areas of cities by imposing a fee which equates to 2.5 percent of the value of the land.¹⁶⁰ Moreover, major development projects such as the Mohammed Bin Salman Non-Profit City (Misk), which is the first non-profit city in the world and will serve as an incubator for youth and volunteer groups as well as local and international non-profit institutions, will be located in Irqah neighborhood of Riyadh, on a site spanning 3.4 square kilometers. The site is well connected to the existing urban fabric and will help to improve connectivity and integration by promoting the principles of a human centered urban development including pedestrian

friendly neighborhoods with open green space. The city will serve as a home for many academic institutions, colleges and schools, science museums, and innovation centers and to serve as a location for scientific excellence in the areas of technology including Artificial Intelligence, Internet of Things, and robotics.^{161, 162}



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IMPROVE CAPACITY FOR URBAN PLANNING AND DESIGN, AND TRAINING FOR URBAN PLANNERS AT ALL LEVELS OF GOVERNMENT

The New Urban Agenda is considered the guiding framework for how to plan and manage cities in the 21st century. However, not all principles surrounding sustainable urban development will be familiar to the existing labor force of urban planners and designers throughout the Kingdom. Capacity building and training exercises therefore represent an important element of effective implementation.

The Future Saudi Cities Programme (FSCP) 2017-2019, which was a joint collaboration between the Saudi Ministry of Municipal and Rural Affairs and UN-Habitat, was a collaborative effort aimed at strengthening the ability of Saudi cities, their institutions as well as their policy, technical, managerial and administrative capacities to guide the process of sustainable urbanization in the country. It was implemented in close cooperation with the municipalities of 17 major Saudi cities. The cities themselves were selected based on different population sizes, geographic distribution and a range of criteria based on capacities and economic potential to create a more balanced urban development among the cities of Saudi Arabia.

The program undertook city level reviews in the 17 cities, five of which were chosen as a representative cross-section for further in-depth analysis. The city profiles considered the linkages between urban and territorial planning by examining the city within the relational context of its sub-region and exploring specific issues at the neighborhood level. The program incorporated UN-Habitat tools such as the City Prosperity Index and Rapid Planning Studio workshops to validate and extrapolate their findings in an evidence-based way to help improve the planning system. The program also incorporated applied research with a strong focus on identifying action-oriented conclusions to collect evidence in order to diagnose the strengths and weaknesses of local planning practices in each city. The approach also utilized design tests and demonstration projects as avenues to apply and analyze potential solutions before concluding on policy recommendations to guide the future of urban planning processes in Saudi cities.

As such, the program itself had a large capacity building component, targeting MoMRA, Amanat, National Ministries and Agencies as well as Academia and NGOs on a wide range of topics related to the planning reforms to achieve the New Urban Agenda, the SDGs (in particular Goal 11 related to sustainable cities and communities) as well as the urban dimensions embedded in both the Saudi Vision 2030 and the National Transformation Program.

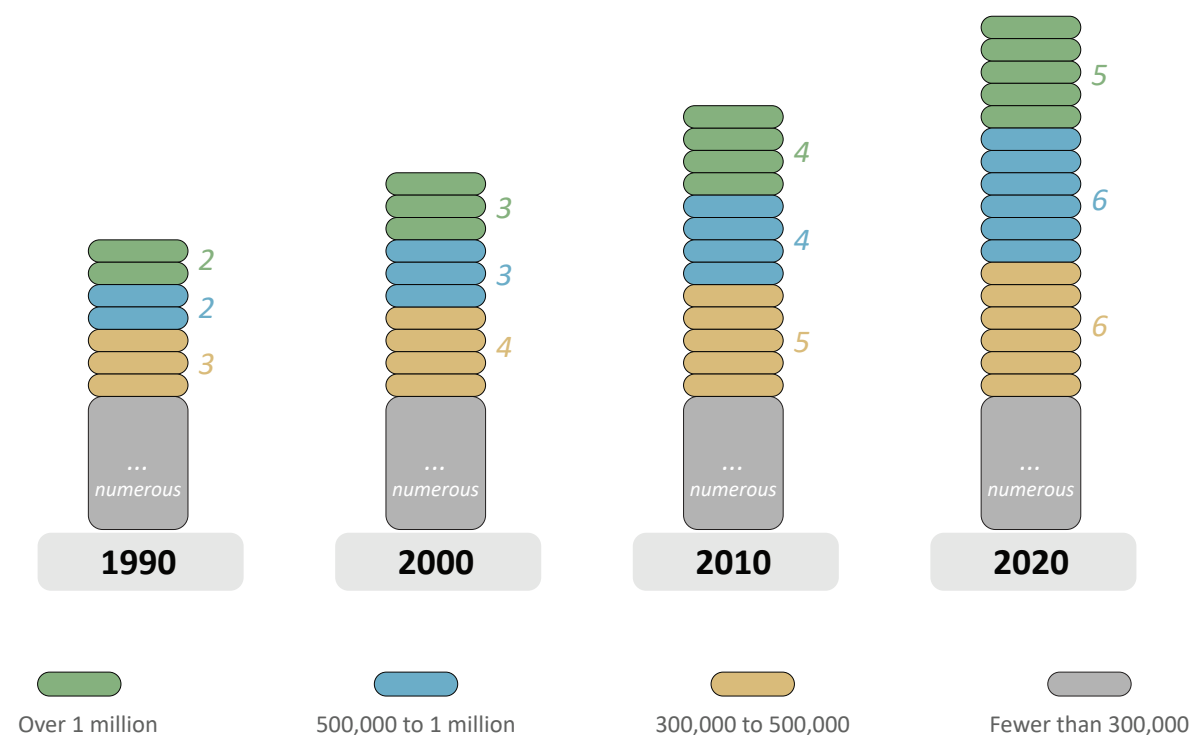
STRENGTHEN THE ROLE OF SMALL AND INTERMEDIATE CITIES AND TOWNS

Throughout most of the 20th century Saudi cities were relatively small. However, by 2020, Saudi Arabia had multiple cities over a million residents. This has been driven by factors such as population increase and migration, economic opportunities, political decision making and spatial policies. While there have been periods where small and medium sized cities experienced significant growth in the past, today it is the largest urban centers that have experienced the majority of the growth.

Urban primacy is a distinct feature of urbanization in Saudi Arabia's urban system. Today, nearly 20.8 percent of the total population of the Kingdom is concentrated in the capital city of Riyadh, with this figure increasing to 47.9 percent if you include the other major cities of Jeddah, Dammam and the holy cities of Makkah and Madinah.¹⁶³ Research shows that increases in levels of urban primacy further undermine intermediate and small cities and thus disrupt the balance of spatial development. This tends to be due to lopsided investment and policies favoring larger urban centers at the expense of small and intermediate towns and cities.

Figure 50 depicts the change in the number of cities by settlement size class for each decade between 1990 and 2020. While historically, Saudi Arabia has been a country of smaller settlement sizes, in more recent years the number of intermediate and large cities has been on the rise. While there were only 2 cities over 1 million in 1990, by 2020 there were 5. The same can be said for cities between 500 thousand and 1 million and those between 300 and 500 thousand, which grew from 2 to 6 cities in the case of the former and from 3 to 6 in the case of the latter. While this indicates a trend towards diversification among city sizes, it is still the case that large cities account for a substantial amount of the population.

Figure 50. Change in population of different settlement size classes, 1990-2020



Source: *World Urbanization Prospects, United Nations, 2018*

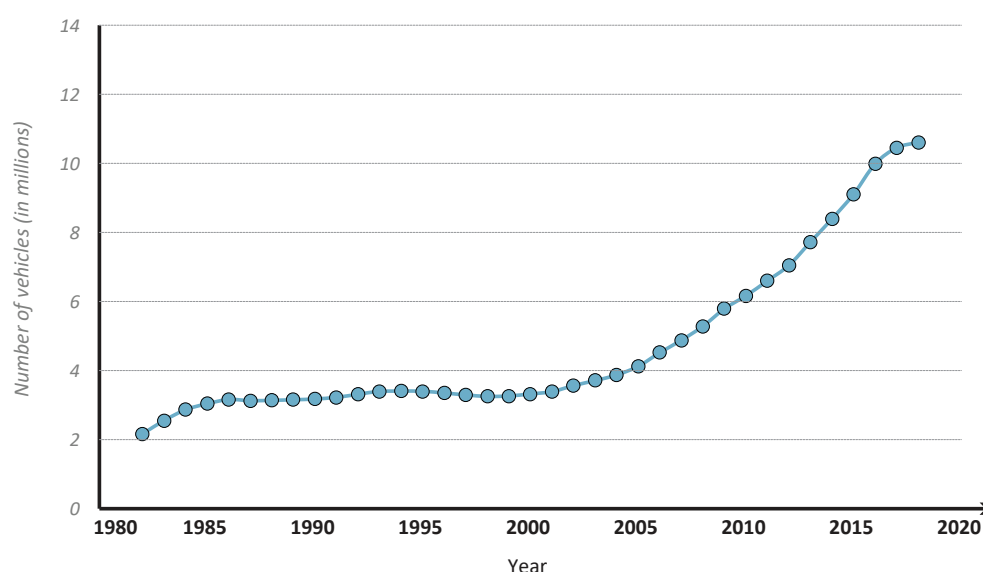
As previously mentioned, the tool for addressing spatial imbalances in the Kingdom is the National Spatial Strategy (NSS). The most recent iteration, which is currently in the process of being updated, is the NSS 2030. This strategy recognizes the importance of a smart and sustainable spatial structure, consisting of a hierarchy of human settlement types (including metropolitan centers, large urban centers, regional capitals, intermediate cities, local urban centers, rural centers and isolated rural areas) and the role that each play in realizing the goals of Vision 2030. The extent to which these cities succeed is important for the social and economic strength of the Kingdom. The NSS 2030 promotes the role of regional capitals and intermediate cities forming the backbone of the spatial economy in the Kingdom and are viewed as the main enablers for local development. To ensure that smaller towns and rural areas are not left behind, the NSS 2030 seeks to foster comparative advantages to realize their full development potential. Such strategies are seen as important in promoting economic diversification and competitiveness. This is based on identifying the competitive advantages and enabling regions to compete for attracting investment and providing more jobs for the local population. In addition to this, the NSS 2030 also aims to create new urban and rural linkages and increase quality of public services and infrastructure.¹⁶⁴

IMPLEMENT SUSTAINABLE MULTIMODAL PUBLIC TRANSPORT SYSTEMS INCLUDING NON-MOTORIZED OPTIONS

Transportation has been a significant challenge in Saudi Arabia in recent years. As mentioned above, as many cities have grown in population, they have also experienced a significant growth in their urban footprint as well. With past subsidies being applied to fuel prices, the incentive to consume private transport becomes greater. To make progress towards achieving the SDGs and to facilitate greater connectivity within Saudi cities significant investment has gone into the transportation sector.

Public transport is a relatively new concept in Saudi Arabia. Given the geographical and climate conditions coupled with the spatial composition of Saudi cities, individuals and households have tended towards private car ownership as opposed to other forms of transportation such as public transportation and non-motorized solutions (ie. bicycles). As can be seen in Figure 51, the size of the estimated vehicle fleet has increased from approximately 2 million in 1980 to more than 10 million today, with the most dramatic increase occurring during the last decade.

Figure 51. Increase in the estimated vehicle fleet size, 1980-2020



Source. King Abdullah Petroleum Studies and Research Center, 2020

Many cities throughout the Kingdom have recognized the challenges presented by private car ownership including congestion and pollution and have therefore sought new approaches to transportation. While Riyadh has the longest experience in planning urban public transport, and now has the King Abdulaziz Public Transport Program, the major cities of Makkah, Medina, Jeddah and Dammam are all now engaged in important public transportation interventions. In these cities the public transport systems are for the most part being integrated into the land use planning approaches of each city, with the government placing considerable emphasis on Transit Oriented Development (TOD). As previously mentioned, Riyadh city is currently set to open its integrated metro system comprised of 176 kilometers of track, 85 stations, 24 bus rapid transit lines with 6,700 bus stops and 25 park and ride stations across the city (see section 1.1.3).

Efforts have also been made in cities across the Kingdom to promote non-motorized transportation options by making cities more walkable and by promoting cycling as an alternative option to the private vehicle. The Sports Boulevard project, for example, which is currently being developed in Riyadh is a 135-kilometer public corridor that transects the city of Riyadh, connecting Hanifah Valley in the West with Al Sulai Valley in the East. The project comprises safe, green pathways that connect different parts of the city and promotes a rich cultural, environmental, and recreational ambience. It aims to activate the public and encourage people to follow a healthier lifestyle, promoting exercise and participation in a variety of different sports and activities. The boulevard seeks to attract all different age groups and interests, with special segments dedicated to professional and amateur cyclists, horse riding paths, and designated sites for sporting activities, which include a sports tower – a high rise building that has courts for different indoor sports. The project also includes 4.2 million square meters of green and open space, including a desert park of 20 sq km host to event venues, show piazzas, outdoor museums and movie theaters. Furthermore, landmarks and public art installations have been installed to enrich the cultural lifestyle of the city. There will also be areas designated for investment zones, as well as recreational and commercial activities.¹⁶⁵



© Sports Boulevard



ENDNOTES

¹⁵³ Saudi Arabia National Report for Habitat III, 2016

¹⁵⁴ <https://momrah.gov.sa/ar/about>

¹⁵⁵ <https://www.my.gov.sa/wps/portal/snp/agencies/agencyDetails/AC174>

¹⁵⁶ <https://www.spa.gov.sa/viewfullstory.php?lang=ar&newsid=2183368>

¹⁵⁷ https://www.moc.gov.sa/themes/custom/moc/assets/pdf/MOC_Cultural_Vision_EN_NEW.pdf

¹⁵⁸ <https://archdesign.moc.gov.sa/en/kscau>

¹⁵⁹ Saudi Arabia National Report for Habitat III, 2016

¹⁶⁰ Saudi Cities Report, 2019

¹⁶¹ <https://www.spa.gov.sa/2304083>

¹⁶² <https://misk.org.sa/en/>

¹⁶³ World Urbanization Prospects, 2018

¹⁶⁴ National Spatial Strategy 2030 White Paper, 2020

¹⁶⁵ <https://sportsboulevard.sa/en/>



MOBILIZATION OF FINANCIAL RESOURCES

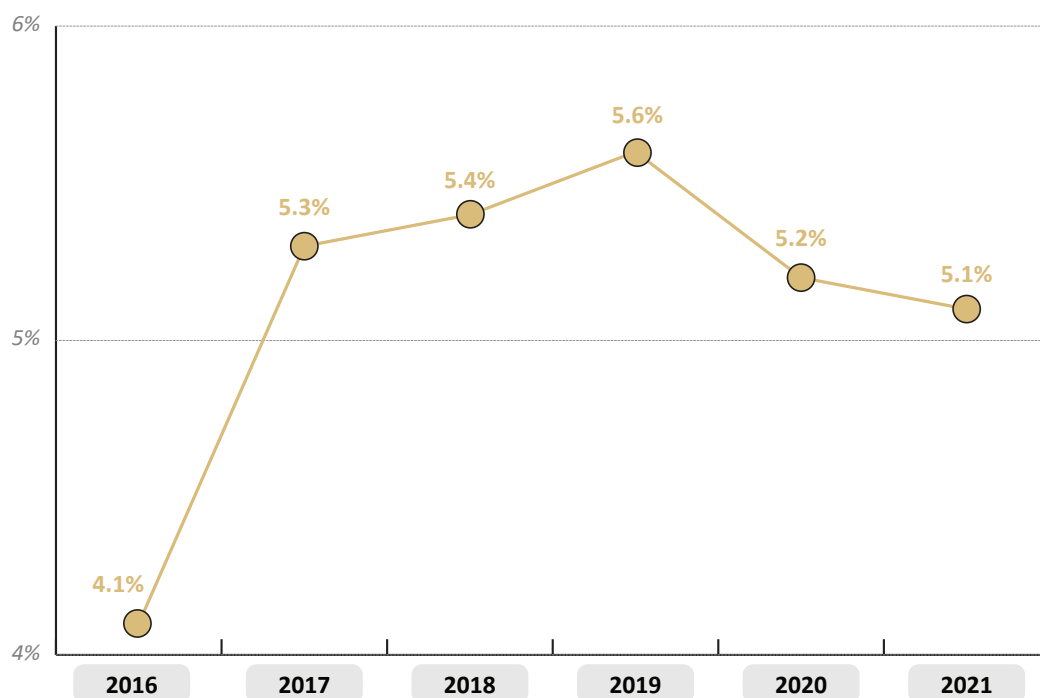
The availability of financial resources is an essential component for delivering Saudi Arabia's Vision 2030 and contributing to the Sustainable Development Goals and the New Urban Agenda in the process. Most importantly it is needed to contribute to sustainable development and improvement to the quality of life of those who live in the Kingdom.

As previously mentioned, Saudi Arabia has been blessed with an abundance of natural resources that have provided the capital to finance its development. As Saudi Arabia looks to the future, however, it seeks to diversify its economy and to explore new sources of revenue for the Kingdom. The following provides an overview of Saudi Arabia's financial framework in order to deliver on its vision.

DEVELOP FINANCING FRAMEWORKS FOR IMPLEMENTING THE NUA AT ALL LEVELS OF GOVERNMENT

Saudi Arabia operates off a centralized financial system, with budget allocations decided by the national government. Based on this, the annual budget allocated to the municipal sector has averaged between 5 and 5.5 percent in recent years according to Figure 52. These resources form the expenditure that is used to ensure that the municipalities are operational including providing the necessary labor force, roads and street lighting as well as public spaces and facilities among others. As previously mentioned, between 2016 and 2019, the budget allocation to the municipal service sector was on the rise, growing from 34.6 billion SAR to 62.2 billion SAR (refer to Figure 43). Unfortunately, against the backdrop of the COVID-19 pandemic, the upward trajectory of the municipal sector budget allocation was disrupted and has since been on the decline. This is partly due to a reallocation of resources towards urgent COVID-19 related activities.

Figure 52. Proportion of annual budget dedicated to municipal services sector, 2016-2021



Source: Ministry of Finance Budget Performance Report, various years

In addition to operating expenditure, municipalities are also able to submit proposals to request funding for additional projects of interest (capital expenditure). These proposals are reviewed and approved based on the importance and priority of the initiatives and budgets are allocated accordingly.

Outside of these more centralized sources of funding, the Municipal Investments Deputyship at the Ministry of Municipal, Rural Affairs and Housing is working closely with Amanahs and municipalities to raise their percentage of own sourced revenue. According to their data, the percentage of reliance on own sourced revenue in financing the operational budget has reached 29 percent in some municipalities.¹⁶⁶

MOBILIZE ENDOGENOUS (INTERNAL) SOURCES OF FINANCE AND EXPAND THE REVENUE BASE OF SUBNATIONAL AND LOCAL GOVERNMENTS

While most municipal budgets in Saudi Arabia come via transfers from central government to the Amanahs and municipalities themselves, there is a growing recognition of the role that local administrations and the private sector can play in revenue generating activities.

Currently, some of the services provided by municipalities are accompanied by service fees which serve to cover the cost of delivery. For the most part, however, such services are often subsidized. In addition to this, the recent White Land Law mentioned above is a good example of a price mechanism that can generate local revenues while also directing development in a productive and efficient way. It does this by imposing fees on undeveloped commercial and residential land in urban areas to promote the active development of available lands while cracking down on speculation and increasing the overall housing supply.¹⁶⁷ Other efforts to make private developers internalize the indirect costs of development are also being explored and considered.

The privatization program, for example, was launched in 2018 with the aim to identify government assets and services that can be privatized to develop the system and mechanisms for privatization and to define frameworks for partnership between the public and private sector.¹⁶⁸ The municipal sector presents multiple examples for privatization including transportation and waste management among others. While more work needs to be done in the area of own-sourced revenue generation, these examples indicate that such mechanisms can be effective.

FORMULATE SOUND SYSTEMS OF FINANCIAL TRANSFERS FROM NATIONAL TO SUBNATIONAL AND LOCAL GOVERNMENTS BASED ON NEEDS, PRIORITIES AND FUNCTIONS

As already mentioned, Saudi Arabia's financial framework is set up in a way that the country's finances are centralized and financial transfers are made from the central government to sub-national and local governments based on their requirements on the ground. It has been noted in the past that budget allocations are not always optimized and that more autonomy at the subnational and local levels would result in a more efficient allocation of resources based on the priorities and the needs on the ground. As outlined above, new opportunities for own source revenue are currently being explored.

Another area where the strategic allocation of financial resources is taking place is within the Vision Realization Programs (VRP). These are strategic programs that have been designed to translate the Vision 2030 into action. Each of the VRPs align their activities through approved delivery plans which are guided by pre-defined objectives and KPI's tied to 5-year milestones. All VRPs are provided with their own financial budgets aimed at translating the Vision into action.¹⁶⁹ This includes the Public Investment Fund, the Housing Program, the Pilgrim Experience Program, the Fiscal Sustainability Program, the Human Capability Development Program, the Quality of Life Program, the National Transformation Program, the Privatization Program, the Health Sector Transformation Program, the Financial Sector Development Program and the National Industrial Development and Logistics Program. See Vision 2030 section for a more detailed description of each.

MOBILIZE AND ESTABLISH FINANCIAL INTERMEDIARIES FOR URBAN FINANCING

While development funds are not new to Saudi Arabia, previously funds operated independently with little coordination or alignment among mandates. Given the importance of Vision 2030's goal to increase the share of non-oil GDP and expand the role of the private sector in participating in the economy, the Kingdom of Saudi Arabia created the National Development Fund (NDF) with the aim of cultivating integration between development funds and to improve their overall efficiency, effectiveness and financial sustainability.

The NDF was created by Royal Order in 2017 with a mandate to advance the performance of development funds and banks as well as to empower them to better fulfill development priorities and economic obligations related to the Kingdom's Vision 2030. The various funds and banks that comprise the National Development Fund can be found in Figure 53.

Figure 53. National Development Fund list of Development Funds and Banks, 2021



Source. National Development Fund, 2021

The NDF outlines the following responsibilities:¹⁷⁰

- Setting the right track for development funds and banks in Saudi Arabia to develop and enhance their performance and effectiveness and reach financial sustainability
- Ensuring that all objectives are aligned with Vision 2030 aspirations
- Minimizing any overlap between development funds and banks
- Fostering coordination between development funds and banks
- Empowering development funds and banks to realize their objectives

Given the ambitious goals of Vision 2030 and the intricate nature of the development agenda in the Kingdom of Saudi Arabia, it is important to focus on performance optimization and minimize opportunities for overlap and duplication. Hence, the NDF is an important instrument for achieving this.

CAPACITY DEVELOPMENT

More than 84 percent of the Kingdom of Saudi Arabia population lives in urban areas. Cities and towns are therefore key to harnessing the transformative forces presented by urbanization. They are also key to overcoming many of the impending challenges such as global warming and climate change. The business-as-usual approach to planning and managing our cities is no longer accepted and instead new principles, approaches and innovations are being introduced. This section highlights how capacity building activities are being incorporated into the municipal sector to ensure that the Vision 2030 as well as the accompanied Sustainable Development Goals and the New Urban Agenda are being effectively implemented.

EXPAND OPPORTUNITIES FOR CITY-TO-CITY COOPERATION AND FOSTERING EXCHANGES OF URBAN SOLUTIONS AND MUTUAL LEARNING

As previously mentioned, the Future Saudi Cities Programme was a joint collaboration between the Saudi Ministry of Municipal and Rural Affairs and UN-Habitat. The program undertook city level reviews in 17 cities, five of which were chosen as a representative cross-section for further in-depth analysis.

While the program aimed to strengthen the ability of Saudi cities, to guide the process of sustainable urbanization in the country, it also served as a means of benchmarking performance, providing a platform for city-to-city cooperation and learning. The program incorporated the City Prosperity Index (CPI), which is a multi-dimensional framework that integrates six carefully selected dimensions made up of several indicators that pertain to factors and conditions deemed necessary for a city to thrive and prosper. The six dimensions include productivity, infrastructure development, equity and social inclusion, quality of life, environmental sustainability, and urban governance and legislation. Cities are able to use the results not only as an assessment tool that enables decision makers to identify opportunities and potential areas of intervention to enhance their cities, but also as a tool to identify where they are performing well and where they are underperforming. This can serve as an important platform for dialogue within and among cities in order to strengthen capacities in strategic areas.¹⁷¹

IMPLEMENT CAPACITY DEVELOPMENT AS AN EFFECTIVE, MULTIFACETED APPROACH TO FORMULATE, IMPLEMENT, MANAGE, MONITOR AND EVALUATE URBAN DEVELOPMENT POLICIES

The research community has been an important contributor to advancing knowledge exchange, building capacity and monitoring and evaluating urban development policies in the Kingdom of Saudi Arabia. While the academic community is not actively responsible for implementing projects or setting policies, they are important contributors in conducting evidence-based research, providing strategic guidance and recommendations, undertaking important studies and evaluations, and providing training and capacity building activities to support decision-makers on important topics. Universities and Research Centers in the Kingdom, for example, have played an active role in undertaking rigorous and evidence-based research on topics such as housing, climate change, municipal investment, women and youth friendly cities, urban design and urban regeneration. They have also worked to establish centers of excellence in different areas such as urban design and local governance. The contribution that the academic community has made in this area can be seen in the significant progress Saudi Arabia's universities have made in the QS World University Rankings, with 14 Saudi Universities being included in the 2022 rankings, which is up from just 9 in 2019. Of these, 3 universities – King Abdulaziz University, King Saud University and King Fahd University of Petroleum and Minerals – obtained advanced positions and are currently ranked among the top universities globally in the fields of engineering and technology, natural sciences, life sciences and medicine and sciences and management.¹⁷²

BUILD THE CAPACITY OF ALL LEVELS OF GOVERNMENT TO WORK WITH VULNERABLE GROUPS TO PARTICIPATE EFFECTIVELY IN DECISION-MAKING ABOUT URBAN AND TERRITORIAL DEVELOPMENT

A major complexity of urban planning is that it significantly impacts the daily lives of a diverse range of individuals who live in cities and towns. There is thus a wide array of stakeholder groups that have a vested interest in the outcomes of planning decisions. Unfortunately, all too often, those that are likely to benefit the most from planning interventions are left out of the decision-making processes meaning that urban planning is not guaranteed to reflect their specific needs. This is particularly the case among vulnerable and neglected groups in society. To overcome this, efforts need to be made to ensure that such groups are availed the opportunity to share their thoughts and influence the outcomes in a way that will create a built environment that incorporates their particular needs and interests.

One of the most prominent examples is the role of women in the planning process. While in the past, women's participation in the planning process was often overlooked, in recent years the Kingdom of Saudi Arabia has undergone significant reforms to ensure that they have a more representative seat at the table. This has been done through increasing women's standing in the urban development discourse and through capacity building exercises. The growth in the number of female graduates in planning programs in recent years has been notable. Vision 2030, in particular, has made significant strides in dismantling the barriers to women's involvement in the workplace and the community (see section 1.1.1 and 2.1). One area where this has been the case is women's representation in leading positions in government. In 2013, women were given membership in the Shura Council (Consultative Council), allocating 20 percent of the Council's seats to female representation. Women have also been elected to municipal board councils as well as appointed to high level positions in the government and private sector.

Women now hold important leading positions such as vice minister, chairperson of councils and deputy minister. They also hold more prominent roles in the private sector including CEO positions in leading banks and companies.¹⁷³

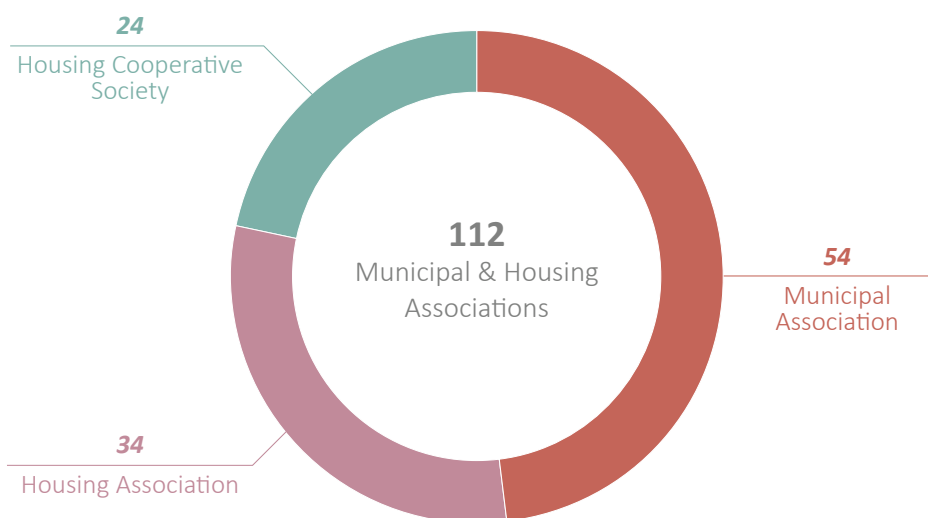
One of the most notable success stories when it comes to women's empowerment in Saudi Arabia can be found in Qassim Amanah. Here, a sub-municipality consisting entirely of women was established to provide municipal services to its residents. This sub-municipality is seen as an incubator for creative ideas that subscribe to the belief that development will progress better when both men and women equally participate together.¹⁷⁴ While there is still lots to be done, achieving women's full participation in all levels of decision making is an important priority in the Kingdom.

Continuing along this line, the government has also developed several programs to better integrate expat communities into the wider society. To ensure inclusionary participation of citizens and expatriates in cultural, sports, entertainment activities and events, the Quality of Life Program has developed various activities and established indicators to monitor progress. To increase the participation of expat communities in sports, entertainment and tourism, the Ministry of Sports offers activities in a variety of different languages. Additionally, the ministry has established an initiative to introduce sports and games from outside of the Kingdom and organizes events to expose Saudi's as well as other nationalities. The Ministry of Municipal, Rural Affairs and Housing has created a number of initiatives to provide expats with suitable and affordable housing options. Through this initiative, workshops are organized to inform expatriates of their rights regarding housing and to inform them of the criteria and process required to qualify.¹⁷⁵

ENGAGE LOCAL GOVERNMENT ASSOCIATIONS AS PROMOTERS AND PROVIDERS OF CAPACITY DEVELOPMENT

The Kingdom of Saudi Arabia is committed to advancing the urban development agenda at the national, sub-national and local levels in Saudi Arabia. Municipal associations play a particularly important role in addressing key issues that otherwise might not be resolved.

The Ministry of Municipal, Rural Affairs and Housing has created a program to establish Municipal and Housing Associations throughout the Kingdom to fill the gaps in key areas of local need. The purpose of these associations is to provide specialized services, expertise, volunteer capacity and to raise awareness on a range of thematic issues. Many of these organizations operate in a charitable way to support different interest groups (ie. women's associations) or key areas that have been previously neglected (ie. food distribution centers). As can be seen in Figure 54, as of 2021 the Kingdom of Saudi Arabia has a total of 112 Municipal and Housing Associations divided among the following three categories: municipal associations (54), housing associations (34) and housing cooperative societies (24).

Figure 54. Number of Municipal and Housing Associations, 2021

Source: MOMRAH Annual Report, 2021

Municipal Associations serve a range of functions including the reduction of food waste, operating food banks, planting trees, environmental protection, as well as cemetery maintenance. Housing Associations and Housing Cooperative Societies focus more on issues related to housing needs at the community level, including the restoration of old houses, developmental housing and charitable housing services. Many of these associations target vulnerable groups to improve quality of life in the community as a whole. The operating model encourages volunteerism and as such seeks to enhance community participation and engagement at the local level.¹⁷⁶

IMPLEMENT CAPACITY DEVELOPMENT PROGRAMMES ON THE USE OF LEGAL LAND-BASED REVENUE, FINANCING AND OTHER TOOLS

Municipal budgets are primarily comprised of financial transfers from the central government, with limited resources generated through own source revenue mechanisms. The White Land Law, however, is a new mechanism that imposes fees on undeveloped commercial and residential land in urban areas to promote the active development of available lands while cracking down on speculation and increasing the overall housing supply.¹⁷⁷ The use of alternative forms of land-based financing mechanisms have not been widely explored in the Kingdom of Saudi Arabia but could be an important mechanism for future revenue generation.

IMPLEMENT CAPACITY DEVELOPMENT PROGRAMMES OF SUB-NATIONAL AND LOCAL GOVERNMENTS IN FINANCING PLANNING AND MANAGEMENT

There is a need to develop the skills of workers in local administrations and provide them with specialized skills and training related to municipal finance and the financial mechanisms of planning and management to generate revenues from new sources at the local level.

Training and capacity building programs have been developed to target this knowledge deficit and improve the financial literacy of local level administrators. In 2022, the Ministry of Municipal, Rural Affairs and Housing in cooperation with the United Nations Development Programme designed and conducted a training program on urban efficiency and productivity. The aim of which is to enhance the knowledge and skills of municipal staff on topics related to sustainable urban development with a focus on highlighting the interlinkages between local economic development, urban financing and marketing and overall management. The training has been organized around three modules that cover tools, methods and protocols for turning theory into action. The themes of the modules include urban management, urban economy and finance mechanisms and are taught in an integrated and transdisciplinary way. Each module is taught by subject matter experts and includes the building of domain knowledge, participant contributions and a variety of participatory and interactive formats to support learning and exchange. The capacity building training is being provided to staff from Amanahs and Regional Development Authorities.¹⁷⁸

INCREASE COOPERATION AND KNOWLEDGE EXCHANGE ON SCIENCE, TECHNOLOGY AND INNOVATION TO BENEFIT SUSTAINABLE URBAN DEVELOPMENT

According to the United Nations, sustainable urban development refers to the spatial manifestation of urban development processes that creates a built environment with norms, institutions and governance systems that enables societies to maximize their potential and optimize a vast range of services in a way that restrains adverse impacts on the environment while safeguarding the quality of life, needs and livelihoods of its present and future populations.¹⁷⁹

To equip Saudi Arabian planners with this knowledge, UN-Habitat with the cooperation of the Ministry of Municipal, Rural Affairs and Housing, launched a training program in 2022 to build capacity in the area of sustainable urban development. The training program titled ‘Sustainable and Inclusive Urban Development’ was composed of two modules that ran the course of two weeks. The first module focused on ‘Integrated Urban Spatial Planning’, while the second module focused on ‘Inclusive Interactive Planning Processes’. The training program was attended by 27 representatives from different Amanat (municipalities), Regional Development Authorities, Royal Commissions and MoMRAH Representatives from across the Kingdom. The training program was primarily classroom based; however, trainees also attended several site visits to different parts of Riyadh city where they were able to apply concepts that they learned in the classroom as well as to assess and evaluate sites based on the knowledge they attained. The training also involved the application of principles of sustainable urban development to hypothetical planning case studies.¹⁸⁰

INFORMATION, TECHNOLOGY & INNOVATION

DEVELOP USER-FRIENDLY, PARTICIPATORY DATA AND DIGITAL PLATFORMS THROUGH E-GOVERNANCE AND CITIZEN-CENTRIC DIGITAL GOVERNANCE TOOLS

Under the Vision 2030 Framework, a strategic objective has been established to develop the digital economy in Saudi Arabia. As a result, government agencies have been encouraged to keep pace with the digital transformation unfolding in the Kingdom, including transforming the way they do business.

The Ministry of Communications and Information Technology (MCIT), for example, is responsible for establishing a Digital Transformation Unit. This program aims to build a digital society, a digital economy and a digital nation through the launching of online portals to improve interactions and encourage more seamless engagement with society. The idea being to contribute to improved experiences among citizens, residents, tourists and investors. This initiative also aims to promote the transition to a knowledge-based economy with upgraded industries, improved competitiveness and better jobs. In addition, a digital transformation strategy for the municipal sector, adopted by the Higher Steering Committee for Digital Transformation of the Ministry of Municipal, Rural Affairs and Housing, emphasizes several principles, including creating innovative and sustainable work models and raising service quality. A total of eight strategic goals, 10 programs and 72 initiatives are aimed at improving the quality and efficiency of the digital system in the municipal sector. In the 21st century, a digital economy will be a prerequisite to attract new investment from local and international investors, therefore, putting the necessary infrastructure and conditions in place now will position the Kingdom of Saudi Arabia to take advantage of such opportunities in the future.^{181, 182}

Through strategic partnerships with the private sector, the government has been working towards establishing an advanced digital economy in Saudi Arabia. Such transformations have contributed to improved access to services, increased employment and raised GDP over the long term.

EXPAND DEPLOYMENT OF FRONTIER TECHNOLOGIES AND INNOVATIONS TO ENHANCE SHARED PROSPERITY OF CITIES AND REGIONS

As mentioned, the Kingdom of Saudi Arabia has experienced significant progress in the digital transformation of the country. According to the Digital Progress report issued by the European Center for Digital Competitiveness, the Kingdom of Saudi Arabia was the most advanced country in digital transformation amongst G20 countries for the past three years.¹⁸³

One risk that arises when countries undergo such a rapid digital transformation, is the risk presented by the digital divide. The digital divide refers to the gap between different segments of society (age, region, etc.), between those with access to new technology and those without. Fortunately, Saudi Arabia is a young society, making it well equipped to transition to a more digital society. However, given the small population size spread across a large geography, the geographic distribution of the population becomes an area of concern. To overcome this, the government has been investing in increasing the coverage of ICT infrastructure throughout the Kingdom.

While only 1.2 million households in urban areas had access to fiber optic wireless networks in 2017, this number increased to 3.5 million households by 2020. Additionally, while previously, only 58,000 houses were covered by wireless broadband in remote areas, this increased to more than 570,000 houses by 2020. Moreover, mobile telecom service providers have been encouraged to offer local roaming and to share networks across the Kingdom to allow access to basic communication services to 100 percent of villages and rural areas. Investments in connectivity and digital coverage is seen as an important investment for the future.¹⁸⁴

IMPLEMENT DIGITAL TOOLS, INCLUDING GEOSPATIAL INFORMATION SYSTEMS TO IMPROVE URBAN AND TERRITORIAL PLANNING, LAND ADMINISTRATION AND ACCESS TO URBAN SERVICES

An important part of capacity building and empowerment is putting the right information in the hands of the people so that they are better able to make more informed decisions about their future. In recent years, significant efforts have gone into collecting relevant indicators, georeferencing it and making it available on public platforms. Geospatial information, in particular, is important for decision making, impacting quality of life and influencing the achievements of Vision 2030 and other important agendas. The national geospatial strategy provides a roadmap for the Kingdom for geospatial empowerment in order to ensure maximum benefits from integrated geospatial information in all sectors through many different initiatives. Geospatial information is seen as a key component for providing social, economic and environmental data to achieve the Sustainable Development Goals.

The General Authority for Survey and Geospatial Information has developed the National Geospatial Infrastructure Window, which allows users to view various national geospatial data layers related to planning and development, agricultural environments, transportation, security and safety, social, health, educational and cultural services, and commercial plots and plots of land, through an interactive dashboard and statistical data.¹⁸⁵ In addition to this, the Balady Platform, provided by the Ministry of Municipal, Rural Affairs and Housing provides various services related to municipalities in the Kingdom, including maps of municipalities and secretariats containing level of servicing, roads, urban scope, neighborhoods and municipal boundaries, with the ability to print and show coordinates of any place by clicking on it and sharing locations with others through the map.¹⁸⁶ The Geographic-Explorer platform provides publicly available geospatial data covering all municipalities in the Kingdom.¹⁸⁷ Collecting and spatializing data is seen as an important tool for decision-making in the Kingdom.

BUILD CAPACITIES AT ALL LEVELS OF GOVERNMENT TO EFFECTIVELY MONITOR THE IMPLEMENTATION OF URBAN DEVELOPMENT POLICIES

A significant component of the New Urban Agenda is to monitor progress and ensure its effective implementation. To do so, it is necessary that governments have appropriate mechanisms for monitoring urban development interventions and assessing their progress against the goals of the country as well as relevant global frameworks such as the Sustainable Development Goals and the New Urban Agenda. This is not only vital for tracking progress but also for building an evidence-based approach to decision making. The National Urban Observatory (NUO) which is located in the Ministry of Municipal, Rural Affairs and Housing, is the entity responsible for keeping track of relevant urban development indicators and monitoring progress in the municipal sector in the Kingdom.¹⁸⁸

More specifically, the NUO is tasked with developing indicators, collecting data, tracking progress and assessing impact. It is also responsible for producing reports documenting urban development experiences in the Kingdom. Such activities are seen as an essential component of evidence-based decision-making and necessary for developing urban policy in the Kingdom. The NUO is also involved in preparing extensive studies, identifying contradictions and duplications between the sectoral goals, holding training courses, organizing workshops, and preparing awards for best practices. There are also a number of Local Urban Observatories (LUO) throughout the Kingdom that are part of the NUO network.¹⁸⁹

STRENGTHEN ALL LEVELS OF GOVERNMENT AND THE CIVIL SOCIETY IN THE COLLECTION, DISAGGREGATION AND ANALYSIS

When it comes to urban planning, data is essential to making sound decisions. Unfortunately, data is not always available and often times it is of questionable quality. Efforts to improve data quality are therefore key to making more informed decisions about the future. Fortunately, data collection techniques have undergone somewhat of a renaissance in recent years, with new techniques making it possible to collect, store and analyze larger amounts of data over shorter periods of time. Online platforms have also made it easier to engage a wider array of stakeholders, providing them with new opportunities to weigh in on important processes and providing new perspectives on urban planning decisions.

The Kingdom of Saudi Arabia views data as the oil of the 21st century. To fulfill these aspirations and to deliver on the commitments outlined in Vision 2030, the government established the Saudi Data and AI Authority (SDAIA) by Royal decree in 2019. SDAIA is responsible for driving and owning the national data and AI agenda to deliver on the promise to create a data-driven and AI-supported government and economy. It aims to do so by setting the national data and AI strategy and overseeing its execution through harmonized data policies, data analytics and insight capabilities, and continuous data and AI innovations. The authority is also linked to the National Centre for Artificial Intelligence, the National Data Management Office and the National Information Center for greater coordination and harmonization among data entities.¹⁹⁰

In addition to the aforementioned data efforts unfolding in the Kingdom, efforts have also been made to ensure that there are more opportunities for stakeholders to weigh in on important decisions at the local level. In an effort to create an opportunity for the community and the private sector to participate in improving the urban landscape, the Ministry of Municipal, Rural Affairs and Housing, launched a campaign titled '#photos_and_send', upon which members of the public could take a photo of visual distortions or unmaintained parts of the city and notify the municipality to improve the urban landscape. The aim here being to empower the community and involve them in contributing to the improvement of the urban landscape and the overall quality of life.¹⁹¹

ENDNOTES

- ¹⁶⁶ MoMRAH Annual Report, 2020
- ¹⁶⁷ Law of White Land Tax, Royal Decree No. M/4, 2015
- ¹⁶⁸ <https://www.vision2030.gov.sa/v2030/vrps/privatization/>
- ¹⁶⁹ <https://www.vision2030.gov.sa/v2030/vrps/>
- ¹⁷⁰ <https://ndf.gov.sa/en/AboutNDF/Pages/AboutNDF.aspx>
- ¹⁷¹ Future Saudi Cities Programme, City Profiles, 2019
- ¹⁷² <https://www.spa.gov.sa/2345643>
- ¹⁷³ Saudi Arabia First Voluntary National Review, 2018
- ¹⁷⁴ Qassim Municipality, 2022
- ¹⁷⁵ <https://www.vision2030.gov.sa/media/gi3l3js2/qol-en.pdf>
- ¹⁷⁶ <https://nvg.gov.sa/Organizations/SectorDetails/113>
- ¹⁷⁷ Law of White Land Tax, Royal Decree No. M/4, 2015
- ¹⁷⁸ Support to NSS Project MoMRA in Cooperation with UNDP and UN-Habitat, 2022
- ¹⁷⁹ https://www.un.org/en/development/desa/policy/untaskteam_undf/groupb_unhabitat_suscities.pdf
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- ¹⁸² <https://momrah.gov.sa/ar/news/13479>
- ¹⁸³ Vision 2030 Achievements Report, 2016-2020
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- ¹⁸⁵ <https://www.my.gov.sa/wps/portal/snp/aboutksa/geospatialandgeographicinformation/>
- ¹⁸⁶ <https://www.my.gov.sa/wps/portal/snp/aboutksa/geospatialandgeographicinformation/>
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- ¹⁸⁸ <https://www.my.gov.sa/wps/portal/snp/content/events/eventsDetails/CONT-events-290620215/>
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- ¹⁹⁰ <https://sdaia.gov.sa/?Lang=en>
- ¹⁹¹ Amanah Support Office, MoMRAH, 2022



SAUDI ARABIA'S G20 PRESIDENCY

In 2020, Saudi Arabia assumed the G20 Presidency. This experience culminated in the hosting of the Leaders' Summit which was held in Riyadh from 21-22 of November 2020 and chaired by King Salman bin Abdulaziz. The Kingdom guided the work of the G20 under the theme of 'Realizing Opportunities of the 21st Century for All'.

The three key aims of the Saudi Arabia 2020 G20 Presidency were as follows:

- o Empowering people, by creating the conditions in which all people – especially women and youth – can live, work and thrive.
- o Safeguarding the planet, by fostering collective efforts on food and water security, climate, energy and environment.
- o Shaping new frontiers, by adopting long-term and bold strategies to share benefits of innovation and technological advancement.

WHAT IS THE G20?

The Group of Twenty, or the G20, is the premier forum for international economic cooperation. The G20 brings together the leaders of both developed and developing countries from every continent. Collectively, G20 members represent around 80% of the world's economic output, two-thirds of global population and three-quarters of international trade. Throughout the year, representatives from G20 countries gather to discuss financial and socioeconomic issues. The aim of the G20 meetings is to discuss global economic realities in order to achieve positive results in the global economic environment, as well as to discuss common global issues, such as empowering human potential and preserving environmental resources.

2020 G20 DISCUSSION HIGHLIGHTS

- o Employing youth and preparing them for the labor market, especially those who are not involved in education or training.
- o Providing opportunities for everyone, especially youth and women, and small and medium enterprises, and activating technology to strengthen financial inclusion.
- o Empowering women by removing economic inequalities between the sexes and supporting initiatives that benefit women.
- o Supporting local financial markets and combating risks surrounding financial stability.
- o Investing in infrastructure and developing effective frameworks for private sector participation in infrastructure financing.
- o Achieving food security and sustainable water management.
- o Strengthening the role of emerging technologies to serve the digital economy.
- o Combating corruption and enhancing integrity.
- o Developing the educational process and making it available fairly and effectively.
- o Strengthening health care systems, pandemic preparedness, and emerging threats.

URBAN 20 (U20)

As part of the G20 there are several Engagement Groups comprised of independent organizations that are tasked with leading thematic discussions. The themes include business, civil society, labor, think tanks, women, youth, science and urban.

The urban engagement group, otherwise known as Urban 20 (U20) is a city focused diplomacy initiative launched in 2017 at the One Planet Summit in Paris. It aims to facilitate lasting engagement between the G20 and cities, raise the profile of urban issues in the G20 agenda, and establish a forum for cities to develop a collective message and perspective to inform G20 negotiations. The U20 is convened by C40 Cities and United Cities and Local Governments under the leadership of a Chair city that rotates annually, based in the G20 host country.

U20 IN SAUDI ARABIA

The third U20 Summit was virtually hosted by Riyadh in October 2020, under the leadership of the 2020 U20 Chair His Excellency Fahd Al-Rasheed. Its main output was the U20 Communiqué, which was shared with the G20 Sherpa of Saudi Arabia, ahead of the G20 Summit virtually held by Riyadh, November 2020. The Communiqué was endorsed by the leaders of 39 cities, together representing 155 million people.

The Communiqué calls on Heads of States and Governments of the G20 to build back better in cooperation with all levels of government, civil society, private sector, research, think tanks and academia and to work to:

Partner by investing in a green and just COVID-19 recovery – National governments must crucially invest directly in cities as the engines of the recovery by implementing global policy responses that address investments in physical and social infrastructure.

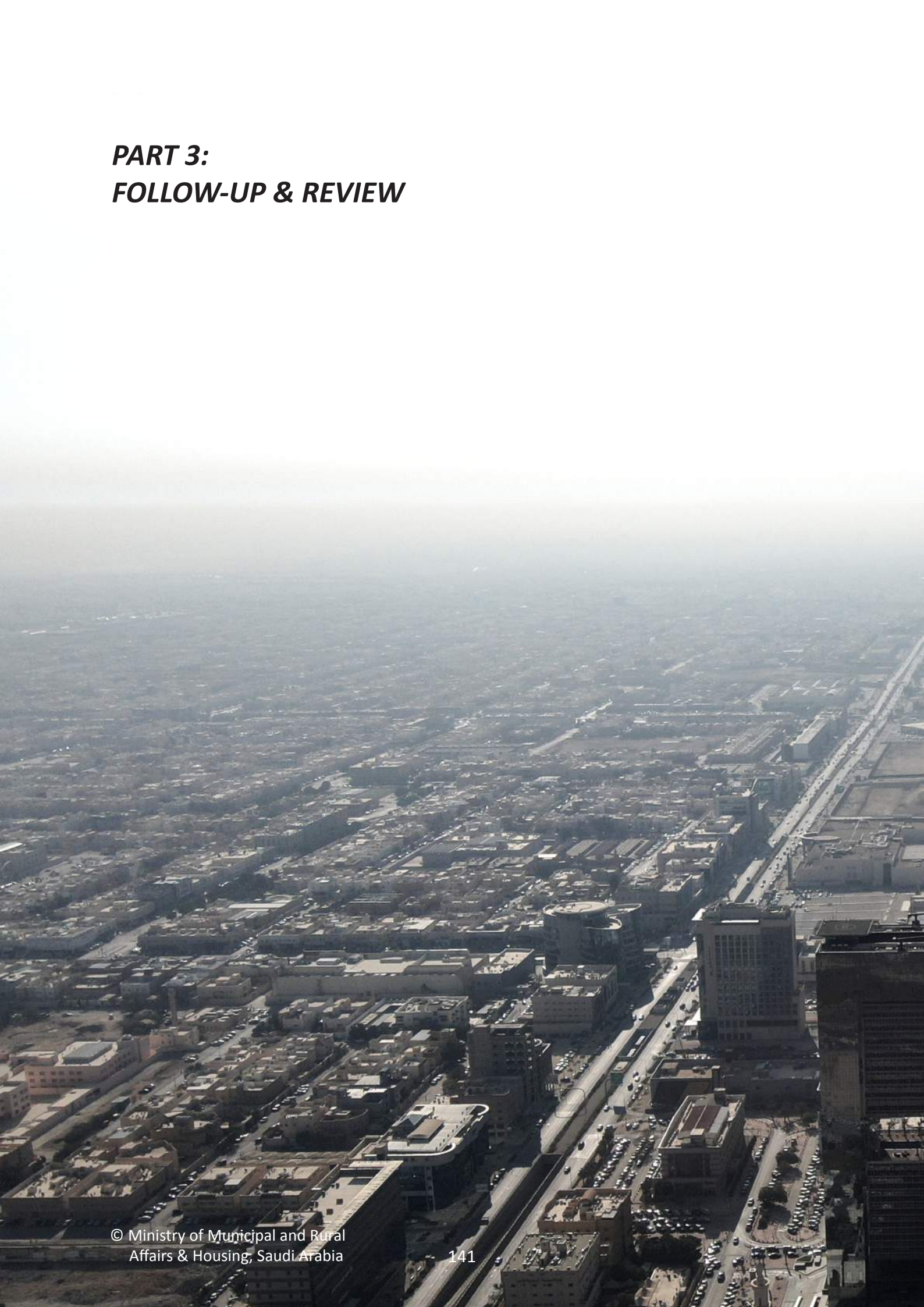
Safeguard the planet through national-local collaboration – As ecosystems are deteriorating worldwide, investments in nature are a shared priority for cities and countries across the G20, conscious that living together in harmony with nature is a prerequisite for prosperous present and future generations.

Shape new frontiers for development, by accelerating the transition to a circular, carbon-neutral economy – The COVID-19 pandemic offers the opportunity for a decisive shift to a circular, carbon-neutral economy worldwide, ushering in a new era of resource efficiency.

Empower people to deliver a more equitable and inclusive future – A just global COVID-19 recovery includes all urban citizens, residents, migrants, and especially vulnerable communities, and ensures their safety and wellbeing, alongside the implementation of the Sustainable Development Goals (SDGs) and creation of more complete communities:

<https://www.urban20.org/u20summit/2020-riyadh/>

PART 3:
FOLLOW-UP & REVIEW





FOLLOW-UP & REVIEW

Guided by the Vision 2030 Framework, the Sustainable Development Goals and the New Urban Agenda, the Kingdom of Saudi Arabia has undergone an immense urban transformation over the past 5 years. This includes considerable progress in the areas of housing, basic services, transportation, public space, sprawl reduction, among others. In order to promote a more balanced urban development, the Kingdom has also undergone a spatial transformation, with efforts being made to extend infrastructure and public services to harder to reach areas. While this report has made an effort to document the many initiatives that are taking place in the Kingdom, it only represents a snapshot of the overall transformation that has unfolded in the Kingdom over the past 5 years.

While this report highlights many of the achievements that have occurred since the Kingdom of Saudi Arabia endorsed the adoption of the New Urban Agenda at the Habitat III Conference in 2016, we acknowledge that there is still work to be done. Saudi Arabia has ambitious plans to not only transform its cities into productive engines of economic growth, but also to build socially desirable places to live and to minimize its urban development footprint on the surrounding natural habitat. That being said, such aspirations are not achieved overnight. Instead, they are the result of careful planning and incremental solutions that eventually add up to more transformative change. The New Urban Agenda has proven to be an important roadmap on this journey to build a more sustainable urban future. Important principles of sustainable urban development have helped the Kingdom of Saudi Arabia come up with creative solutions to their urban development challenges.

In addition, the Kingdom of Saudi Arabia realizes that its aspirations will not just be achieved through the implementation of urban development initiatives, but also through the establishment of an enabling framework that creates alignment between important pillars of planning, finance and legislation. Strengthening the capacity of urban development professionals and creating new opportunities for urban stakeholders to have a say in and shape their cities will also be a critical factor for success. This is particularly the case at sub-national and local levels where the outcomes of planning decisions are realized.

This report does not just serve as a means of documenting the Kingdom of Saudi Arabia's experiences with the implementation of the New Urban Agenda, it also serves as an important monitoring and reporting tool. As noted in the guidelines for the progress report on the implementation of the New Urban Agenda, such reports are expected to be submitted every 4 years. The information collected in the preparation of this report will therefore serve as a baseline and a means by which to measure progress moving forward. This also presents an important learning opportunity by identifying areas where the Kingdom of Saudi Arabia has performed well and where further work still needs to be done. This will be necessary for prioritizing efforts moving forward. While some of the indicators outlined in the guidelines for this report were not available during the preparation of this report, others may have benefited from further disaggregation by sex, age and location. For future iterations of this report, a concerted effort will be made to extend the coverage and improve the degree of detail.

Moreover, while some of the initiatives that are highlighted in this report have been ongoing for some time, others are brand new initiatives that have not yet realized their full potential. It is expected that in 4 years' time, when the Kingdom of Saudi Arabia reports again on the progress towards the implementation of the New Urban Agenda, one will see a vastly different urban landscape. This undertaking is seen as an important learning opportunity and the outcomes of this report will be critical for encouraging evidence-based approaches to decision making. For that reason, efforts will be made to make the information in this report widely available.

USEFUL LINKS

<https://www.vision2030.gov.sa>

<https://www.stats.gov.sa/en>

<https://www.sama.gov.sa/en-US/Pages/default.aspx>

<https://momrah.gov.sa/ar>

<https://hrsd.gov.sa/en>

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<https://www.undp.org/saudi-arabia/publications/voluntary-national-review-vnr-saudi-arabia>

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<https://www.pif.gov.sa/en/Pages/Homepage.aspx>

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KINGDOM OF SAUDI ARABIA

*REPORT ON THE IMPLEMENTATION
OF THE NEW URBAN AGENDA*

وزارة الشؤون البلدية
والقروية والإسكان
Ministry of Municipal Rural Affairs & Housing

