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ROOTS

Introduction

Data: How Private, How Local?

While in many ways similar to Europe's General Data Protection Regulation (GDPR), Saudi Arabia's new Personal Data Privacy Law (PDPL) is in some ways stricter; it may arguably conflict with a National Data Governance Policy allowing data to be transferred freely abroad with informed consent, placing Saudi Arabia with China among the most protective jurisdictions.

The PDPL requires a broad range of sensitive information, involving for example on customers and staff, to be securely hosted; a license is required to transfer data abroad, a potentially costly and onerous condition. Given the potentially heavy impact on global commerce pushback has been strong, while many counted on loopholes in long-delayed implementing regulations.

A day before the PDPL was to take effect on March 22, the Saudi Data and Artificial Intelligence Authority (SDAIA) delayed enforcement until March 17, 2023; after adding a one-year statutory grace period, full enforcement has thus been delayed until March of 2024, ample time for meaningful amendment to address business concerns.

Vision 2030: Diplomatic Forum

Resuming a series of pre-covid events in partnership with the Embassies of New Zealand, Ireland, India, The Netherlands, Singapore, Sweden and others, on April 10

AmCham Saudi Arabia will host (and I will moderate) an event in partnership with the United States, United Kingdom and Singapore Embassies on each of these nation's successes in attracting foreign investment, as case studies for achieving Saudi Vision 2030's ambitious objectives to quintuple inbound investment.

Upcoming Saudi Holidays, Events, Webinars, and Conferences

- **USSBC Program:** For a schedule of upcoming U.S.-Saudi Business Council (USSBC) events and webinars see [here](#).
- **Ramadan:** April 1-May 1
- **Eid al-Fitr:** April 25-May 5

COVID-19 Restrictions and Information

- **Vaccine Registration:** COVID vaccines are available for [citizens and residents](#). To register, use the "Tawakkalna" app.
- **Removal of Precautionary Measures:** Saudi Arabia has lifted significant precautionary and preventative COVID measures, including social distancing [and outdoor](#) mask-wearing.

Public Sector and Significant Updates

- **SNDF Spending Plans:** According to Crown Prince Mohammed bin Salman, the Saudi National Development Fund (SNDF) plans to inject \$152 billion into the Kingdom's economy [by 2030](#).
- **Expo 2030 Campaign:** Saudi Arabia is launching a global campaign to promote its bid to host the [2030 World Expo](#).

Corporate / Employment

- **Expat Employment Uptick:** An exodus of foreign workers from Saudi Arabia has started to reverse after a year and a half, with the private sector adding [256,000 jobs for non-Saudis](#).

- **Unemployment Drop:** Saudi Arabia's unemployment rate dropped 0.3% to 11% [in Q4 2021](#).

Legal

- **Al Tamimi Legal Magazine:** For Al Tamimi Law's latest magazine issue (focus is on the legal transformation of Saudi Arabia), see [here](#).
- **Data Law Criticism:** The U.S. Chamber of Commerce has warned that the Kingdom's new privacy and data law will raise the cost of doing business and complicate [efforts to attract foreign investors](#).

Visas and Travel

- **Travel Guidelines:** For up-to-date travel information, visit the US Embassy in Saudi Arabia's [COVID-19 page](#). For Saudia's travel guidelines, see [here](#).
 - **COVID Protocols Lifted:** Saudi Arabia has lifted all COVID travel restrictions. Unvaccinated travelers [can enter the Kingdom](#).
- **Visas-on-Arrival:** Holders of visas for the U.S., UK, and the Schengen area can once again receive 12-month visas on arrival [upon entering the Kingdom](#).
- **FlyNas Expansion:** Saudi Arabian discount airline Flynas doubled its growth plan, saying it will expand orders to 250 aircraft [in a tourism push](#).

Business / Economy

- **General:**
 - **FDI Growth:** Foreign direct investment in 2021 totaled \$19.3bn, the most since 2010, mainly due to an [oil pipeline deal in Q2](#).
 - **GDP Growth:** Saudi Arabia's GDP expanded 1.6% in Q4 compared to the previous three months [due to higher oil prices](#).

- **S&P Outlook:** S&P has revised its outlook for Saudi Arabia from “stable” to [“positive.”](#)

- **Public Investment Fund (PIF):**

- *No significant recent developments.*

- **Finance, Insurance, and Investment:**

- **Entrepreneurship Agreements:** Saudi Arabia signed over 30 agreements and initiatives worth a total of \$4.2 billion at the [Global Entrepreneurship Congress \(GEC\) in Riyadh.](#)
- **Startup Platform:** The Ministry of Investment and the PIF-backed Jada Fund of Funds have partnered to create a platform dubbed “Catalyze Saudi” that will connect Saudi entrepreneurs [with investors abroad.](#)
- **Monsha’at Startup Funding:** The Small and Medium Enterprises General Authority, or Monsha’at, provided [\\$533 million to entrepreneurs in 2021.](#)

- **Real Estate, Construction, Infrastructure, and Megaprojects:**

- **BlackRock Infrastructure Interest:** BlackRock is seeking more infrastructure deals in Saudi Arabia [and the Gulf region.](#)
- **Land Bridge Project:** Saudi Arabia is exploring a “land bridge” project, which would link the western and eastern parts of the Kingdom [and cost up to \\$26 billion.](#)

- **Industry, Utilities, Logistics, and Non-Oil Energy:**

- **Neom Hydrogen Plant:** Saudi Arabia will start construction of a green hydrogen plant in the coming weeks in Neom as it pushes ahead with plans to export the fuel [in four years.](#)
- **Foxconn Factory:** Foxconn Technology Group is exploring building a \$9 billion microchip factory [in Saudi Arabia.](#)

- **Tourism, Hospitality, Culture, Sports, and Entertainment:**

- **Neom Ski Resort:** Saudi Arabia has unveiled plans for its first-ever all-year-round ski resort, [to be built in Neom](#).
- **Armani Diriyah Hotel:** Armani plans to open a hotel in Diriyah, marking the company's third [after Dubai and Milan](#).
- **WWE September Event:** The WWE will host a pay-per-view event in Saudi Arabia [this September](#).

- **Retail, Luxury, and E-Commerce:**

- *No significant recent developments.*

- **Religion:**

- **Female Umrah Restrictions Relaxed:** The Ministry of Hajj and Umrah has announced that women over the age of 45 will be allowed to perform Umrah without being accompanied [by a male guardian](#).

- **Education:**

- *No significant recent developments.*

- **Healthcare:**

- *No significant recent developments.*

- **Technology and Telecom:**

- **Disney+ Launch:** Disney+ plans to its services in Saudi Arabia, Egypt, the UAE, and other Arab countries [on June 8](#).

- **Defense:**

- *No significant recent developments.*

- **Food and Agriculture:**

- *No significant recent developments.*

- **Natural Resources, Mining, and Environment:**

- *No significant recent developments.*

- **Oil:** Oil prices most recently [stood](#) on April 1 at \$111.27 pbb for Saudi oil (Arab Light) and \$107.48 pbb for West Texas Intermediate (WTI).

- **OPEC+ Output Stability:** OPEC+ is reportedly planning only modest production increases despite the effects of the Ukraine crisis [and international pressure](#).
- **Potential Saudi Price Hike:** Saudi Arabia is reportedly considering raising the price of its key Arab Light crude [by \\$5 a barrel to Asia](#).
- **China Refinery:** Aramco has made the “final investment decision” to develop a refinery and petrochemical complex [in northeast China](#).
- **Alternative Currencies:** Saudi and Chinese officials are in talks to price some of the Kingdom’s oil sales [in yuan rather than dollars](#).
- **Japan Price Cooperation:** Japanese Prime Minister Fumio Kishida and Crown Prince Mohammed bin Salman agreed to bolster cooperation on stabilizing [global crude oil markets](#).

Geopolitical

- **Ukraine Food Shocks:** The Russian invasion of Ukraine has disrupted Ukrainian grain production, which constitutes a significant proportion of global grain exports. This could particularly threaten the Middle East, where countries like Egypt receive up to 70% of wheat requirements [from Russia and Ukraine](#).
- **Egypt Aid:** Saudi Arabia, Qatar, and the UAE have injected billions of dollars into the Egyptian economy to help prevent destabilization from food price rises brought about [by the Ukraine crisis](#).

- **Ethiopia Repatriation:** Saudi Arabia is in the process of repatriating 100,000 Ethiopians out of a total of 450,000 [who are in the Kingdom illegally](#).

- **U.S.:**

- **Security Support Requests:** Saudi Arabia and the UAE are requesting greater security support from the U.S.; Saudi Arabia seeks support to counter threats from Houthi forces while the UAE seeks a more [“institutionalized security commitment.”](#) The U.S. has transferred a significant number of Patriot antimissile interceptors to Saudi Arabia [in recent weeks](#).
- **Russia Misalignment:** Saudi Arabia and the UAE have so far retained relations with Moscow and rebuffed American pressure [to increase oil production](#).

GCC

- **UAE:**

- **COVID Information:** For current COVID information from the U.S. Embassy in the UAE, see [here](#). For statistics and information from the UAE government, see [here](#).
- **Expected Growth:** The UAE hopes its economy will grow 5%-6% in 2022, and by the same rate for the next few years to help [double its economy by 2031](#).
- **Russia Energy Cooperation:** The UAE and Russia are reportedly seeking ways to cooperate on [improving energy security](#).
- **Nuclear Energy:** The UAE is expanding its nuclear energy plant [to double electricity production](#).
- **Visa-Free Travel for Ukrainians:** The UAE now allows Ukrainians to travel to the country [visa-free](#).

- **Qatar:**

- **COVID Information:** For current COVID information from the U.S. Embassy in Qatar, see [here](#). For statistics and information from the Ministry of Public Health, see [here](#).
- **Europe Gas Commitments:** Qatar will stand "in solidarity with Europe" and will keep natural gas flowing there, even if other customers are willing to pay more, according to the [Qatari Energy Minister](#).

- **Kuwait:**

- **COVID Information:** For current COVID information from the U.S. Embassy in Kuwait, see [here](#). For statistics and information from the Ministry of Health, see [here](#).
- **Japan Oil Cooperation:** Japan is set to an energy cooperation deal with Kuwait, including providing insurance for \$1 billion in finance to help Kuwait [boost its oil production](#).

- **Bahrain:**

- **COVID Information:** For current COVID information from the U.S. Embassy in Bahrain, see [here](#). For statistics and information from the Ministry of Health, see [here](#).
- **Fitch Downgrade:** Fitch has downgraded Bahrain to 'BB+' [with a "stable" outlook](#).

- **Oman:**

- **COVID Information:** For current COVID information from the U.S. Embassy in Oman, see [here](#). For statistics and information from the Ministry of Health, see [here](#).
- **Foreign Ownership of Listed Companies:** Oman's stock exchange plans to allow full foreign ownership in listed companies in an effort to attract more [inflows to its market](#).

Other

- **Miscellaneous:** For earlier developments, see [here](#).
- **Vision 2030 Non-Oil Revenue Requirements:** According to an analysis by Strategic Gears, the Kingdom requires far more non-oil revenue to meet its [Vision 2030 targets](#).
- **Biden Administration Saudi Difficulties:** For an analysis of the Biden administration's difficulties in managing Saudi relations, see [here](#).

Resources

- [Previous Newsletters](#)
- [Ministry of Health Dashboard](#)
- [Ministry of Health Coronavirus Guidance](#)
- [New Companies Law \(English\)](#)
- [Chamber of Commerce Global Policy Dashboard](#)
- [Ministry of Investment Guide to Business Continuity](#)
- [US-Saudi Business Council](#)
- [Saudi-US Trade Group](#)
- [American Community of Saudi Arabia Newsletters](#)
- [US Embassy in Saudi Arabia](#)
- [US State Department Travel Information](#)

We will be happy to provide more specific advice in the context of particular circumstances, concerns, and priorities; please let us know.

Christopher H. Johnson, Managing Attorney

Disclaimer: While the above information was gathered from sources believed to be accurate at the time, we cannot be responsible for errors due to human or technical error.

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