



وزارة الاستثمار
Ministry of Investment



GLOBAL SUPPLY CHAINS RESILIENCE INITIATIVE (GSCRI) GREEN SHORING GLOBAL INITIATIVE - GS GI



The European House
Ambrosetti

Milan
April 28 2025

GSCRI is an initiative under the National Investment Strategy that aims to plug KSA into global supply chains

Non-exhaustive

Key Objectives

NATIONAL
INVESTMENT
STRATEGY
الاستراتيجية الوطنية للاستثمار

GLOBAL
SUPPLY CHAIN
RESILIENCE
INITIATIVE

Launched in October 2022, **GSCRI** is a **national initiative** part of the National Investment Strategy with the objective of **strengthening the resilience of Global Supply Chains (GSCs)** by leveraging the Kingdom's competitive advantages to attract **world-scale export-oriented investments**

Investment Drivers



World-scale manufacturing with export-orientation

Improve investment viability and long-term financial sustainability



Global supply chain resilience enhancement

Plug KSA into global supply chain and help global companies diversify their manufacturing footprint



Unlocking integrated value chains

Drive end-to-end development of strategic value chains (e.g., automotive)



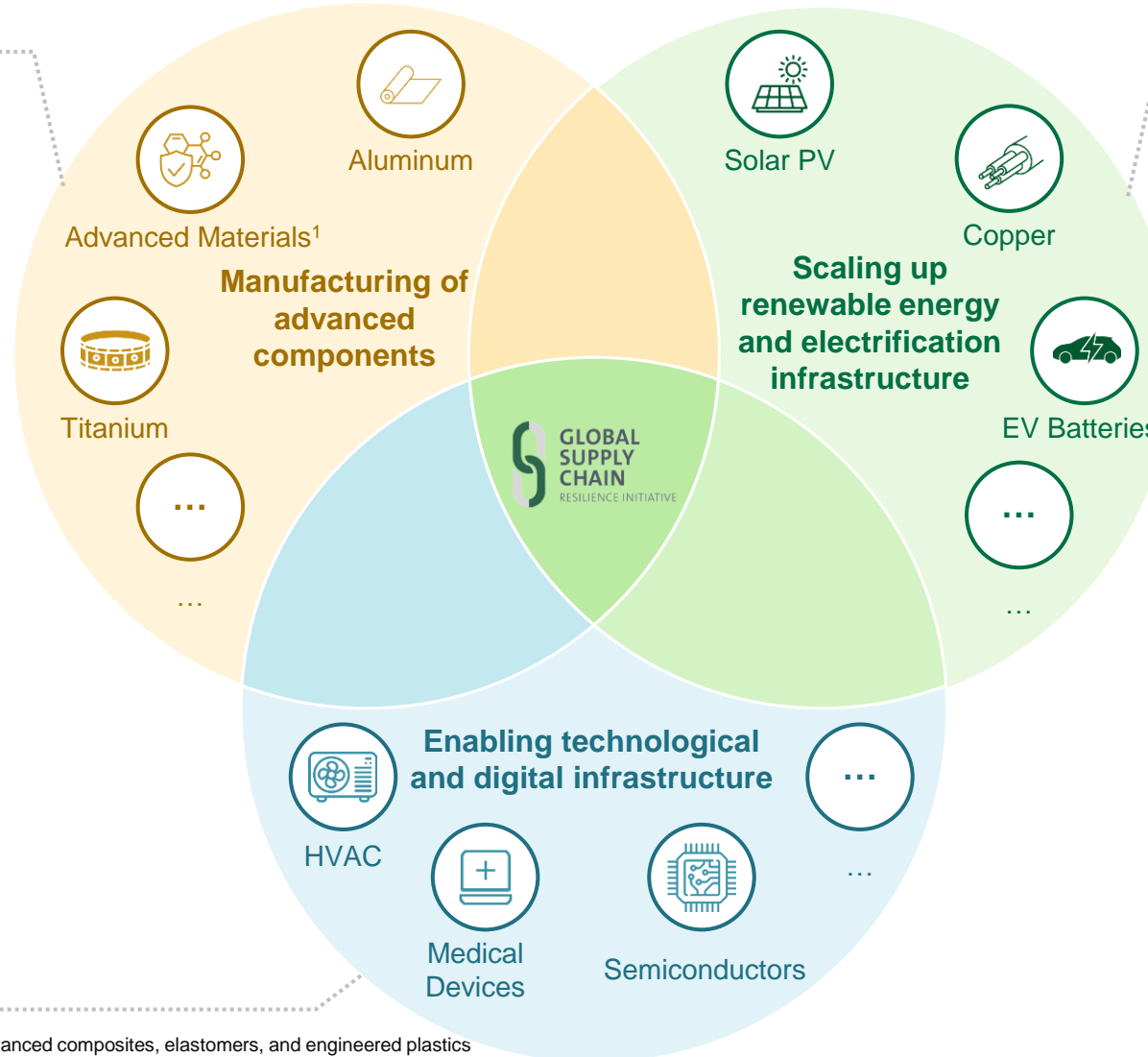
Greenshoring

Leverage KSA's green energy to accelerate decarbonization of GSCs and support global companies on their sustainability agenda

GSCRI prioritizes opportunities that can largely be grouped into three interconnected investment themes

Non-exhaustive

Driving investments to manufacture advanced components, **building specialization and complexity in existing value chains** and serving a wide range of sectors



Attracting investments in enabling infrastructure to **accelerate green energy adoption and electrification** of a wide range of sectors

Securing investments to **enable the technological and digital infrastructure** required to accelerate the digital revolution

¹) Including advanced composites, elastomers, and engineered plastics
Source: Team analysis

*In the broader context of international decarbonization commitments, the **Green Shoring Global Initiative** intends to **foster international cooperation and partnership** beyond traditional trade relationships, and **promote a reorganization of global supply chains to increase their resilience and achieve industrial competitiveness decarbonization targets***

Green Shoring – Partnership – Industrial competitiveness: these three key words are fully in line with existing EU policies (e.g. Green Deal, ETS, CBAM) and support new strategic framework (Clean Industrial Deal, Clean Trade and Investment Partnership, Draghi Report)

EXISTING EU POLICIES

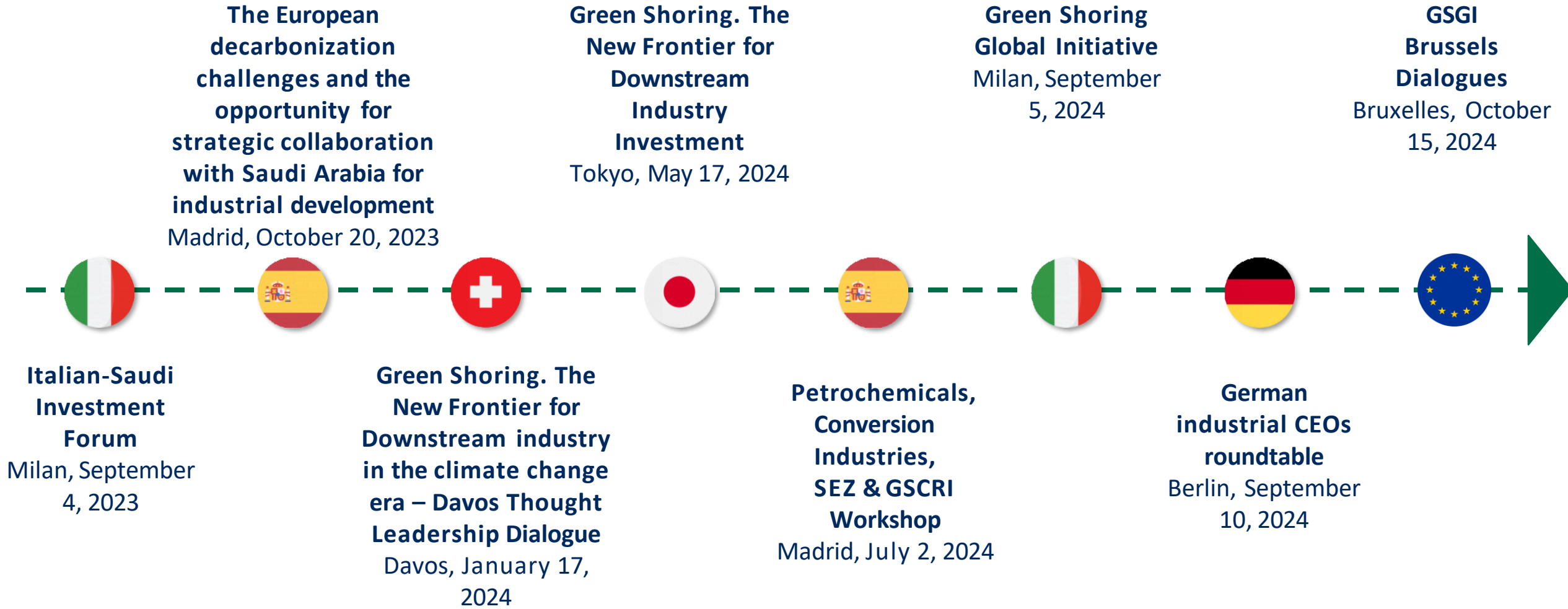
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|------|---|
| 2020 | • European Green Deal |
| 2021 | • European Trading System (ETS) |
| 2023 | • Carbon Border Adjustment Mechanism (CBAM) |

NEW EU RECOMMENDATIONS

- | | |
|-----------|---|
| From 2024 | • Clean Industrial Deal |
| | • Clean Trade and Investment Partnership |
| | • Draghi Report “EU Industrial Competitiveness” |

Green Shoring is an opportunity for the competitiveness of the European industry

The Green Shoring Global Initiative is based on a wide range of international meetings whose aim is to **promote industrial partnerships**

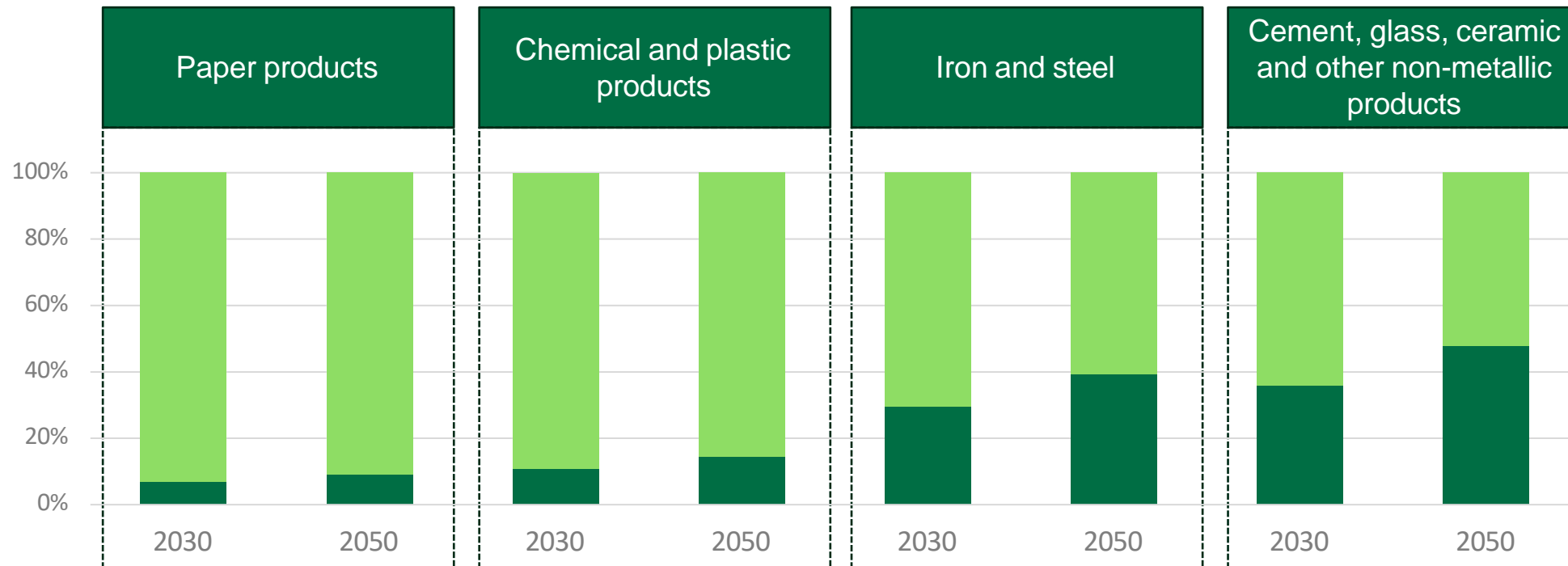


Over 1,000 business leaders from different industrial sectors involved, with a focus on **Hard to Abate** sectors

ETS

Strengthening the ETS will have a significant **impact on the competitiveness of European value chains**: up to 50% of the value added of hard-to-abate industries is at risk, with a cumulative cost of 1,900 billion of Euros until 2050

ETS impact on the Added Value in Hard to Abate industries, in Europe (percentage), 2030 and 2050



■ ETS Impact

■ Residual Added Value

CBAM

European industries are **struggling to decarbonize their supply chains**, as 71% of imported value and 91% of used materials come from high-emission countries

EU IMPORT VALUE

71%

of imports' economic value come from high-emitting countries

11%

of imports' economic value come from countries without a long-term strategy to reduce emissions

EU IMPORT QUANTITY

91%

of imported materials come from high-emitting countries

31%

of imported materials come from countries without a long-term strategy to reduce emissions

Saudi Arabia has a strong commitment to achieve Vision2030 goals, fostering concrete opportunity for zero carbon industry investments



The Kingdom of Saudi Arabia is aware of the importance of combating the mutual challenges of climate change and its adverse impacts. Therefore, the Kingdom has launched unique initiatives that are important to the region and the world.

Custodian of the Two Holy Mosques, King Salman Bin Abdulaziz Al-Saud



3,190+ billion of Dollars

Will be invested by 2030 in the **National Investment Strategy**, promoting the development inducing Saudi infrastructure and industries



Climate action will enhance competitiveness, spark innovation, and create millions of high-quality jobs. Young people, both in the Kingdom and the world, are demanding a cleaner, greener and more inclusive future, and we owe it to them to deliver on this.

Crown Prince, Prime Minister, and Chairman of the Council of Economic and Development Affairs, His Royal Highness Prince Mohammed bin Salman bin Abdulaziz



Saudi Arabia has a strong targets in manufacturing by 2035

x 4.3
Manufacturing
GDP

x 5.3
Manufacturing
Export (Value)

15
Industrial
Performance
(UNIDO Ranking)

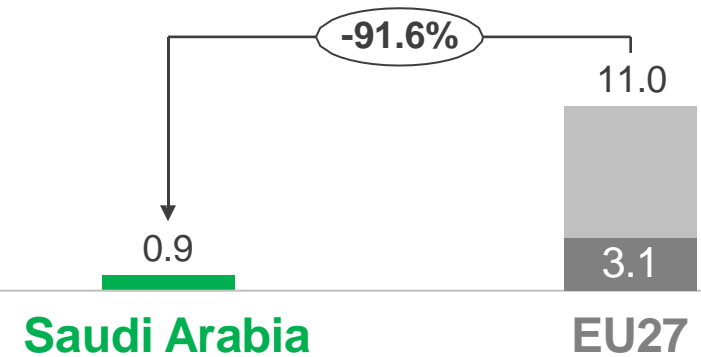
Partnership drivers: in Saudi **50% of the energy mix will be sourced from renewable sources by 2030 at the lowest global price**

+35 large renewable energy projects

To be implemented or under development to make the Vision2030 real, supporting the decarbonization of the society and the development of sustainable industries

Comparison in some energy vectors
(Saudi Arabia vs. European Union)

Comparison of the
levelized cost of Solar PV
electricity (Cents of
Euro/kWh), 2020



With a connected **lower price of Green Hydrogen** in Saudi Arabia vs. Europe

Partnership drivers:

Industrial cities large investments (last announcement in the RCYJ region)

Industrial Infrastructures (Examples):

- \$9.33 billion investments across industries such as mining and energy, as well as projects focused on the Ras Al-Khair and Yanbu industrial cities
- \$11.4 billion investments targeting projects in the Ras Al-Khair Minerals City and Yanbu Industrial City for critical industrial infrastructure aiming to bolster local production capacities

Partnership drivers:

Carbon Capture and Storage broad assets availability

In 2022, Saudi Arabia announced plans to develop one of the largest CCS hubs in the world

44 million tonnes of CO₂ will be stored annually through CCS assets in the Jubail by 2035
(Aramco, SLB, Linde)

This will be couple by expected investment aspiration for petrochemical and conversion industries in the 100's of billions of Dollars by 2030 and beyond

Thank you