

Under the Patronage of the Minister of Environment Water & Agriculture
Eng. Abdulrahman bin Abdulmohsen Al Fadhili

منتدى المياه السعودي
saudi water forum SWF

"Sustainable Water.. for Sustainable Development"



وزارة البيئة والمياه والزراعة
Ministry of Environment Water & Agriculture
Kingdom of Saudi Arabia المملكة العربية السعودية



رؤية
VISION 2030
المملكة العربية السعودية
KINGDOM OF SAUDI ARABIA

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Saudi Aramco's Efforts to Promote Local Content

Mr. Nassir Alyami,
General Manager of Procurement, Saudi Aramco



iktva

In Kingdom Total Value Add

Alignment with Vision 2030

- Strong, high-skilled Saudi workforce
- Bigger role for SMEs
- Robust manufacturing sector
- Business friendly environment
- Greater strategic trade relations



70% بحلول 2021

نسبة توطين السلع والخدمات
70 بالمائة بحلول عام 2021

Local Supply Chain Evolution

iktva

Traders

- Shipping & Customs Clearance
- Expediting
- Financial Risk Management

Service Suppliers

- Spare Parts Inventory
- Local Service Facility
- Pre-Sale & Warranty Support

Manufacturing & Engineering

- Design
- Fabrication
- Assembly
- Packaging
- Manufacturing



The In-Kingdom Total Value Add (iktva)

iktva is a program,
not a metric

iktva will work with
suppliers in a new
way for success

iktva is a Saudi
Aramco
Strategic
Imperative

Saudi Aramco vision is to enable a
globally competitive Saudi
Industrial Base

DEFINITION

The IKTVA program
drives, measures and
monitors the “added-
value” brought to the
Kingdom by a supplier.

a

Localized Goods and Services (\$)

b

Compensation Paid to Saudis (\$)

c

T&D of Saudis (\$)

d

Supplier Development Spend (\$)

r

Research & Development (\$)

X

Exports Revenue Factor

E

E = Saudi Aramco Revenue (\$)

$$\text{iktva} = \left(\frac{a+b+c+d+r}{E} \right) + X$$

Key Points - Simple & Transparent



UNIFORM
EVALUATION



SUPPLIER FOCUSED
Co-developed with
the suppliers

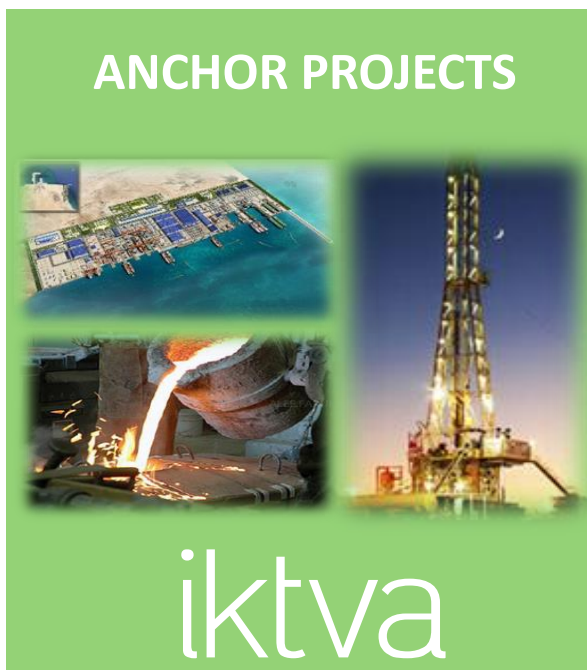


SIMPLE
Compared to other
international practices



3rd PARTY
ASSESSMENT
Offering transparency
& confidentiality

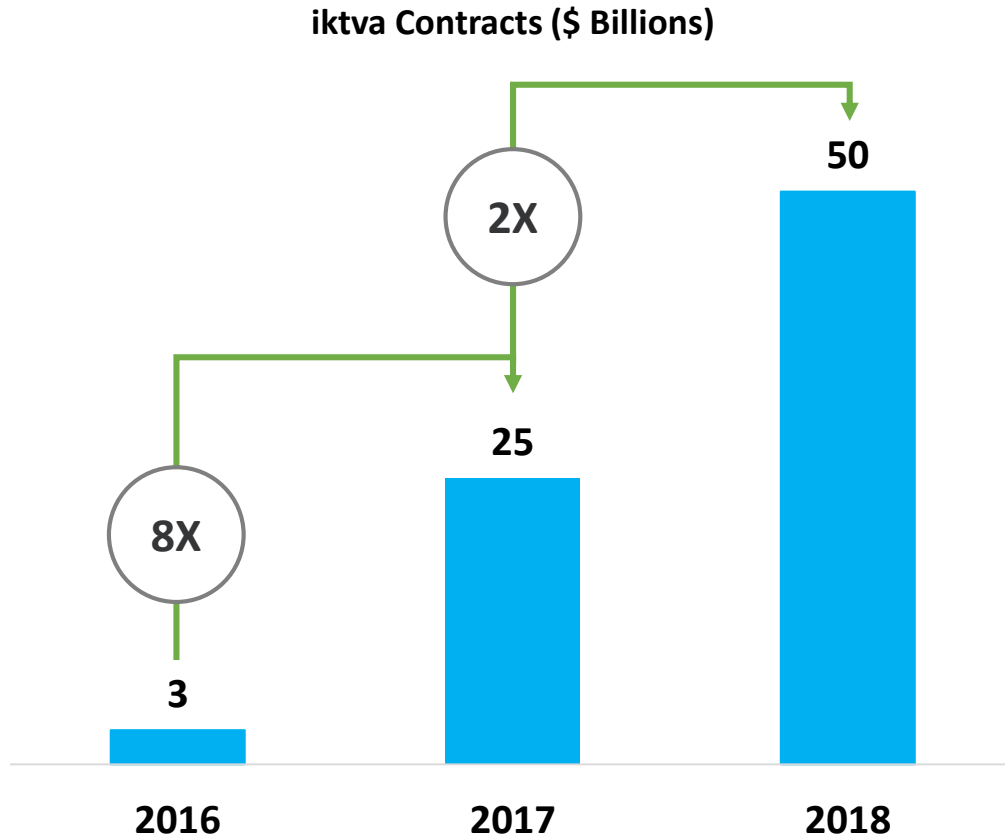
iktva Execution Pillars



Driving iktva in Procurement

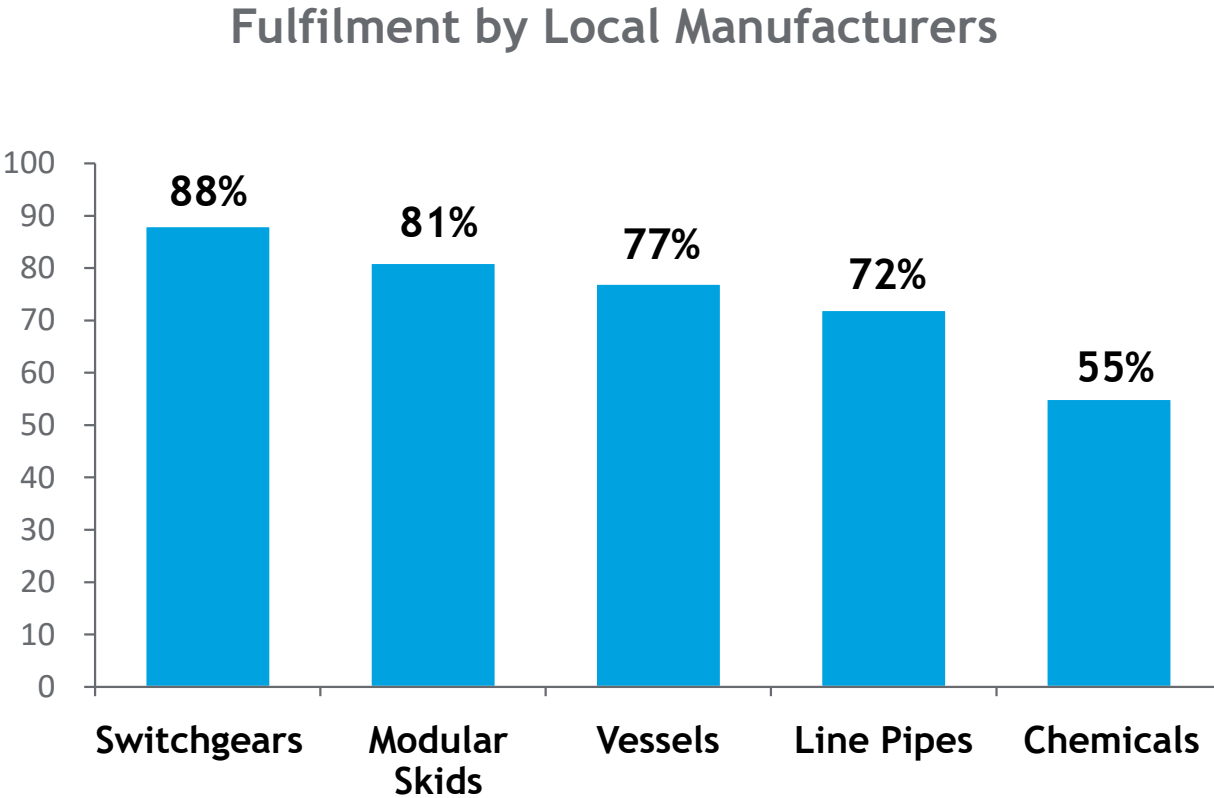
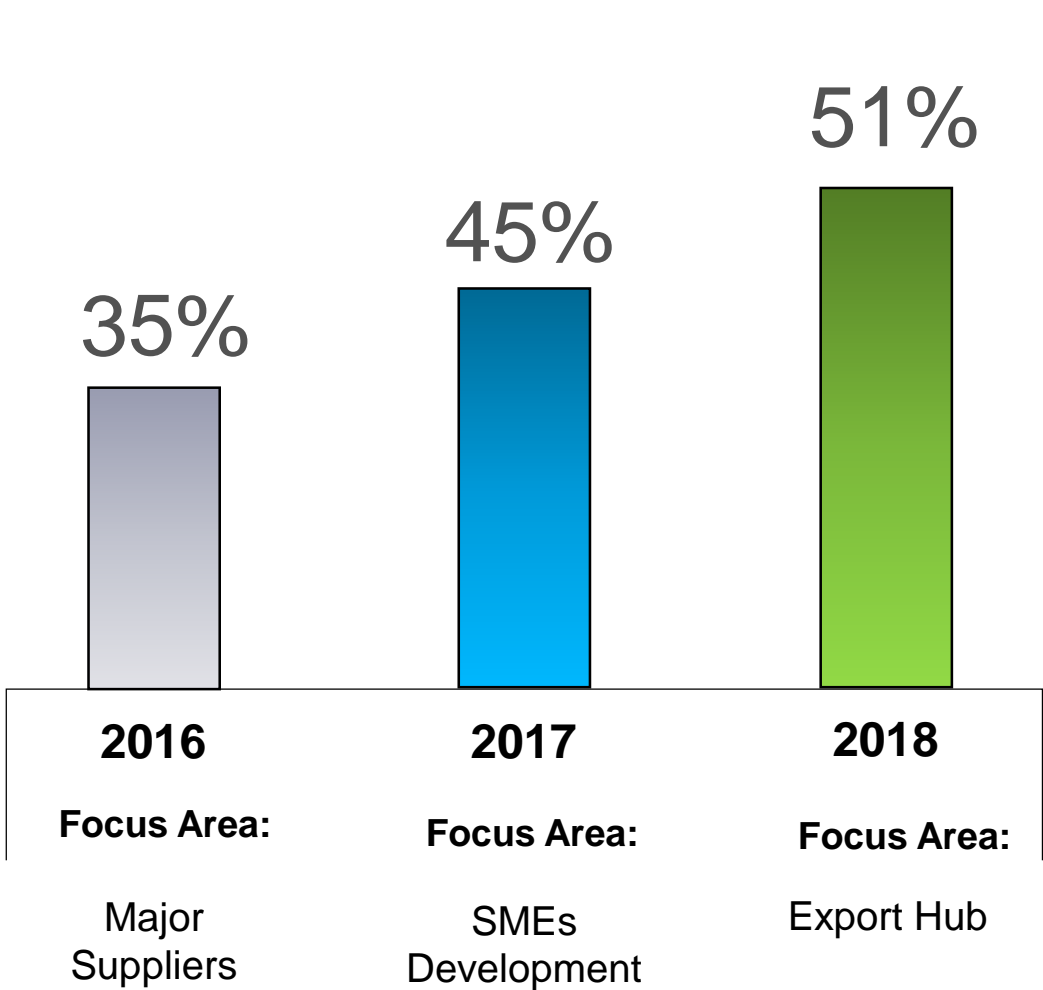


iktva in Contracts



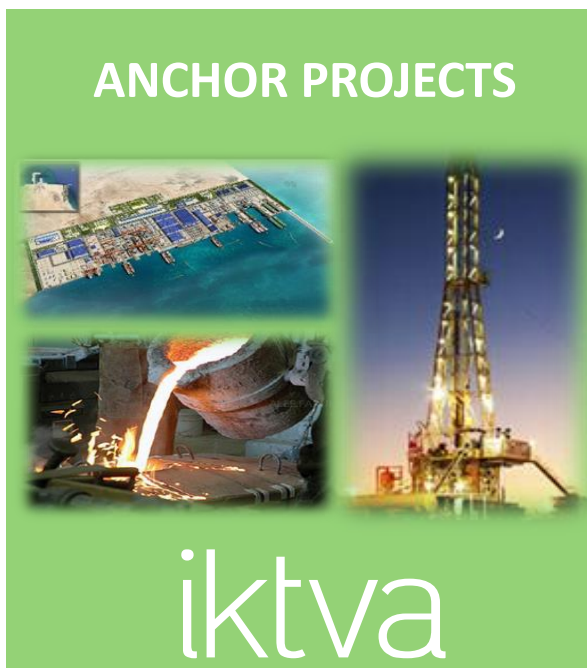
More than 300 contracts with iktva requirement, equivalent to \$50 Billion

iktva Results & Local Manufacturing



Average annual spending with local manufacturers reached 3.4 Billions

iktva Execution Pillars



Anchor Projects

King Salman International Complex
for Maritime Industries and Services



King Salman Energy Park (SPARK)



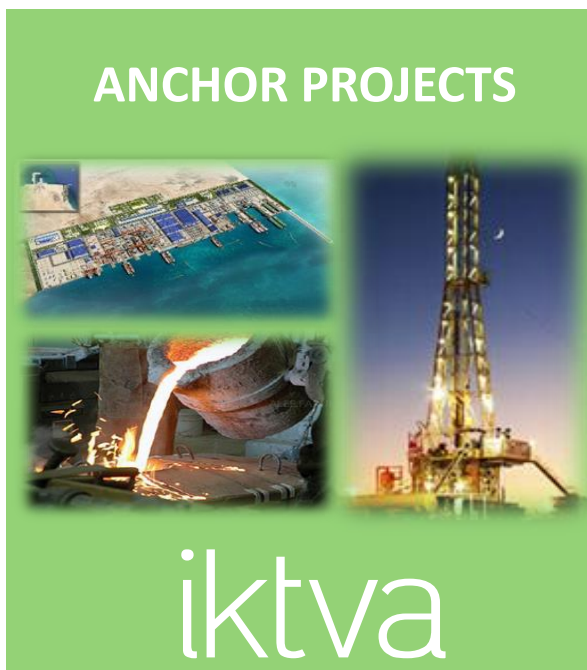
Casting & Forging



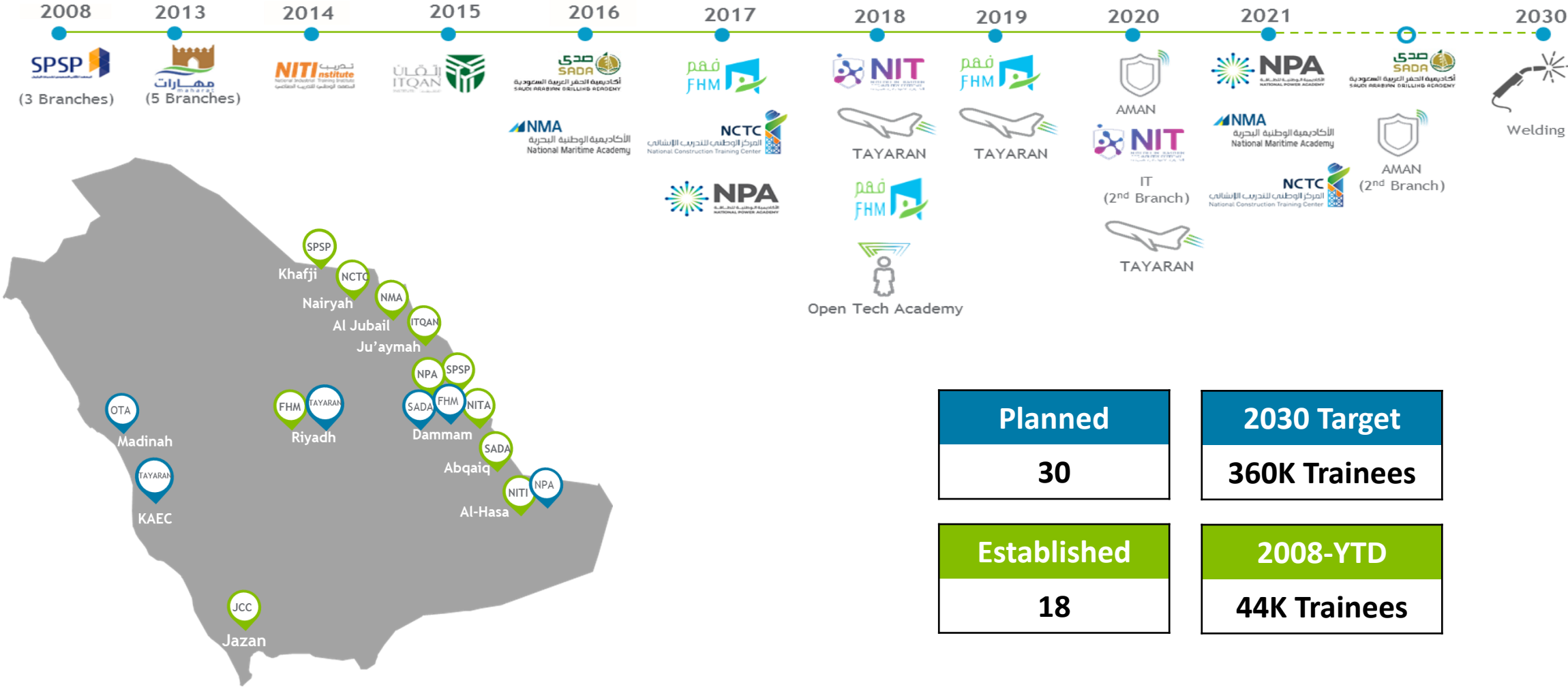
Land Rig Manufacturing



iktva Execution Pillars

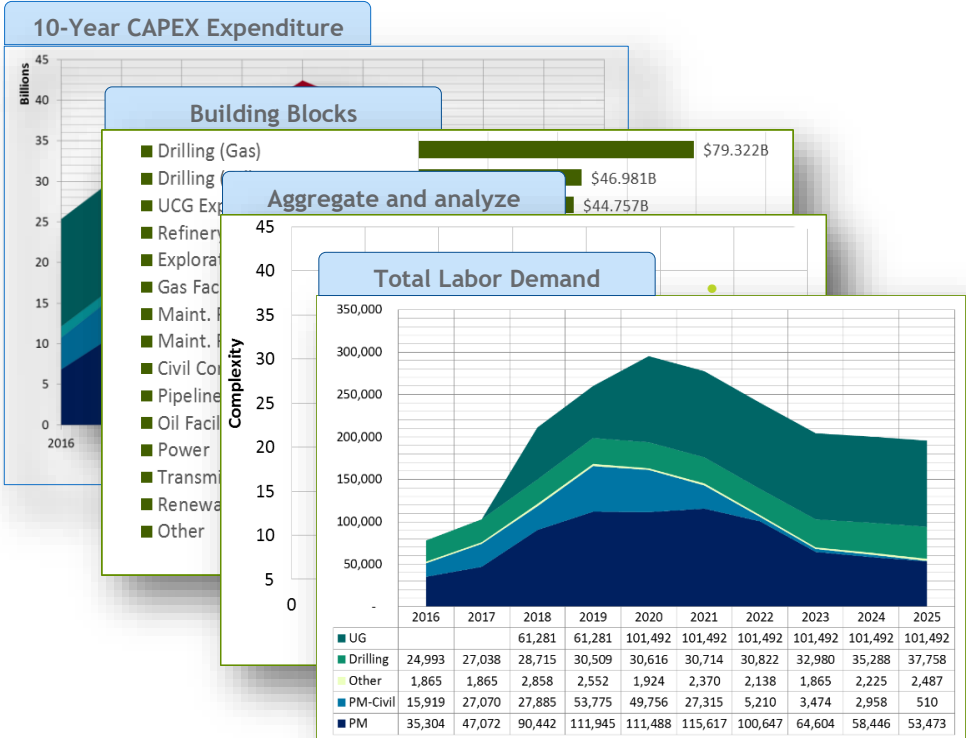
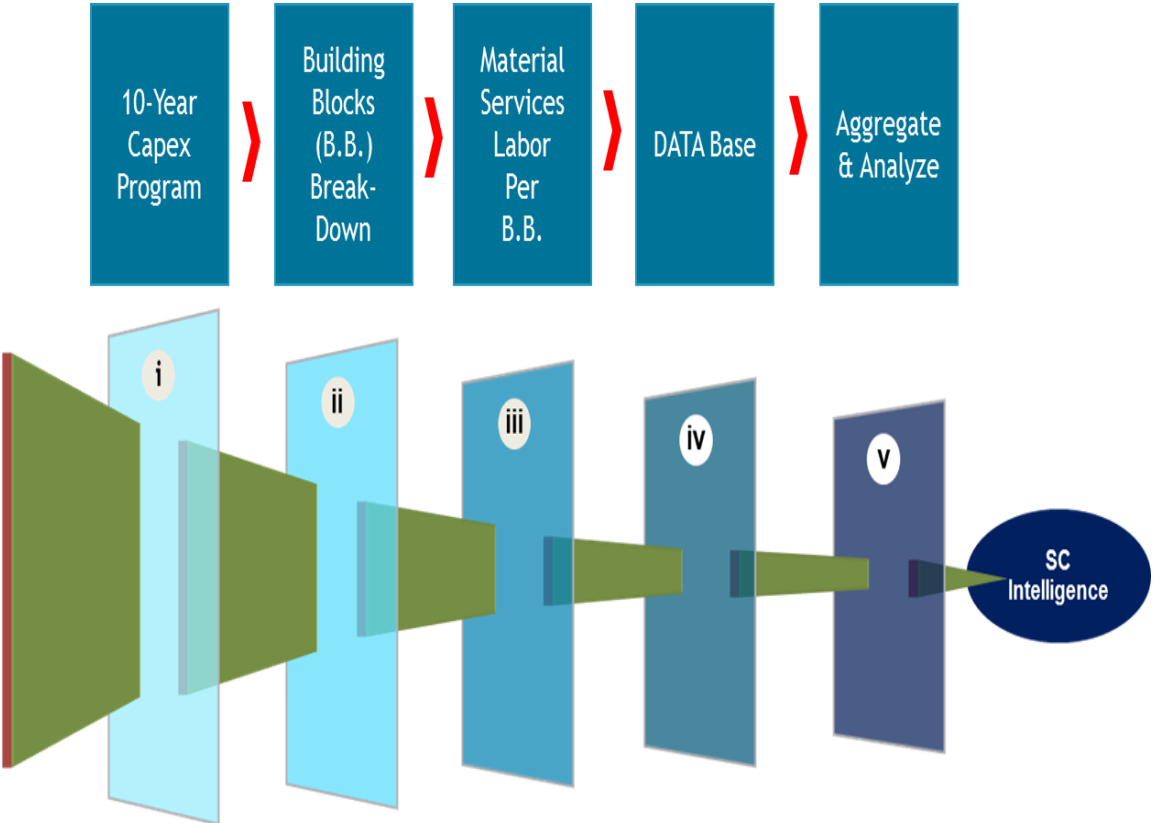


Local Workforce Development

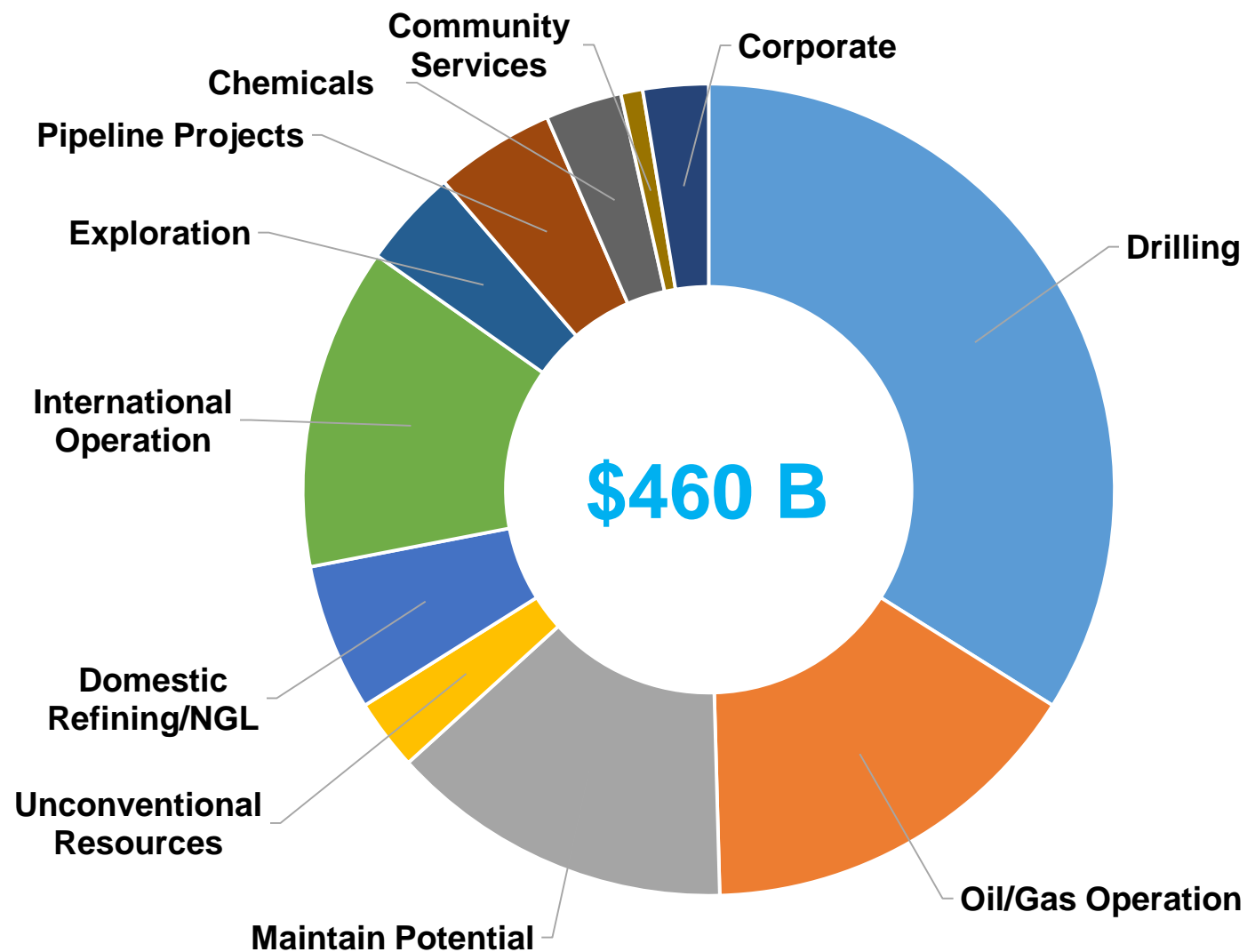


Access to Data

Strategic Demand Forecasting



Saudi Aramco 10-Year Spend Forecast



Selected Spend Areas:

Drilling	\$156 B
Oil/Gas Operations	\$72 B
Maintain Potential	\$63 B
Domestic Refining/NGL	\$27 B
Pipeline Projects	\$22 B
Exploration	\$18 B
Chemicals	\$14 B
Unconventional Resources	\$13 B

► Thank You

