

Mining market in Saudi Arabia

The Kingdom of Saudi Arabia holds a geographically strategic position in the Middle East, West Asia and Africa regions and continues to develop the mining sector through its National Industrial Development and Logistics Program (NIDLP). Saudi Arabia aims to become an international logistic hub and make mining a key driver for economic development and diversification. The Saudi investment law brings transparency in the regulations, increasing investor confidence and fueling growth in the sector as a result, and a revised law currently being drafted will provide equal treatment for foreign and local investors.

Key opportunities for Canadian mining suppliers

State-owned Ma'aden is among the fastest-growing mining companies in the world and the largest multi-commodity mining and metals company in the Middle East. Given Canada's position as a world leader in the mining industry, many Canadian companies are well placed to partner with local mining services companies to execute or supply multiple projects for Ma'aden, especially for gold, copper and uranium mining.

Industry highlights	
Open on restricted basis Export Development Canada's position	0.75% Global exploration share
71.6 World Bank Ease of Doing Business score	US\$9.5 billion National mining revenues
Can\$487 million Saudi Arabia ranks 36th overall in Canadian mining assets abroad	Gold, copper and uranium lead Saudi Arabia's mining sector
10.1% 5-year compound annual growth rate of industry	2 Canadian companies operating in Saudi Arabia

Mineral exploration

Since mining is a major driver of economic growth, there is a need to increase exploration activities and develop the necessary infrastructure to attract sustainable investment. Saudi Arabia has identified 431 potential sites for exploration and launched an accelerated, 600,000-km² exploration program for mine development.

Other services required

- Project management and technical consultation
- Feasibility studies
- Resource and reserve analysis
- Hauling and loading
- Conveying and material handling
- Innovation in mining equipment, and solutions operating using artificial intelligence
- Cleantech, specifically water and waste treatment
- Health, safety and environment services

Notable challenges for Canadian mining suppliers in Saudi Arabia

- Lack of publicly available geoscience data (note that a database is in development)
- Absence of a local industry association
- Local industry is dominated by a few major players and many small industrial mineral producers
- Infrastructure needs to be further developed to transport ores to processing plants and exporting ports
- Competing markets include China, Australia and South Africa dominate the market, offering little room for newcomers.

Saudi Arabia business landscape

- Market presence is critical when doing business in Saudi Arabia. Partnering with local private and government entities is the best approach to do business in mining.
- Barrick Gold Corporation has a 50/50 joint venture with Ma'aden, known as Barrick Copper Company (MBCC), which operates the Jabal Sayid copper mine in western Saudi Arabia.
- In November 2020, Sander Geophysics, through its local joint venture, partnered with the Saudi Geological Survey in Khobar to provide high-resolution airborne magnetic and radiometric data over part of the Arabian Shield in western Saudi Arabia.

Request a meeting

To learn more about the mining industry in Saudi Arabia, please request an in-person meeting with a Trade Commissioner on the Business-to-Trade Commissioner scheduling platform ahead of PDAC 2022. <https://go.b2b-2go.com/en/canadapdac-2022/>