

The 4th Private Sector Enablement Event

Differentiating through enablement

Inside:

- Local Industry Stimulative Initiative
- SIDF Investment Company
- New products and services
- SME Support
- Project showcase
- SIDF on the move
- Insights from experts and industry leaders





The Successes of Tamkeen

Tamkeen is an occasion for SIDF to connect and strengthen its ties with its clients and stakeholders across Saudi Arabia’s dynamic industrial, logistics, energy, and mining ecosystems. Similarly, we’ve always seen this event as an opportunity to connect with new players in the ecosystem and share more about SIDF’s vision for the Kingdom’s economy. At this year’s event, we shared how SIDF contributes to the objectives of the National Industrial Development and Logistics Program (NIDLP), the National Industrial Strategy (NIS), and other strategies aligned to Vision 2030.



National Industrial Development and Logistics Program



National Transformation Program



Financial Sector Development Program



Quality of Life Program



Housing Program



Human Capability Development Program



Fiscal Sustainability Program



Public Investment Fund Program



Health Sector Transformation Program



Pilgrim Experience Program



Privatization Program

We also explored SIDF as a key enabler of the newly launched National Industry Strategy (NIS).

NIS is targeting



SAR 557 bn

in Saudi Arabia’s non-oil exports by 2030



SAR 890 bn

in Saudi Arabia’s non-oil exports by 2035



36,000

factories in Saudi Arabia by 2030

Through streamlined services and products, SIDF is creating a strong, vibrant funding support system that greatly benefits Energy, Industry, Mining, and Logistics and the players operating therein.

Tamkeen has always been an important event for stakeholders to exchange ideas, build new partnerships, and work toward innovative solutions to, together, develop Saudi Arabia’s industrial ecosystem. The 2022 edition was another major success for SIDF and all stakeholders.



Speeches: Key takeaways”



H.E. Bandar Alkhorayef

Minister of Industry and Mineral Resources & Chairman of SIDF

- > The Local Industry Stimulative Initiative aims to catalyze local content, improve operational efficiency and productive capacities, and enhance the industrial sector's competitiveness.
- > We have also launched the "Competitive Accelerator Pathway", under the umbrella of the "Future Factories" initiative, to finance technological innovation in automation and digitization, incentivizing factories to adopt new technologies for the Fourth Industrial Revolution.
- > In order to expand the scope of eligible SME beneficiaries, we have launched the "Soft Loan Pathway" under the umbrella of the "Incentivizing Promising Factories" initiative, to reduce personal guarantees and the financial capacity required to obtain financing.

Dr. Ibrahim Al-Mojel

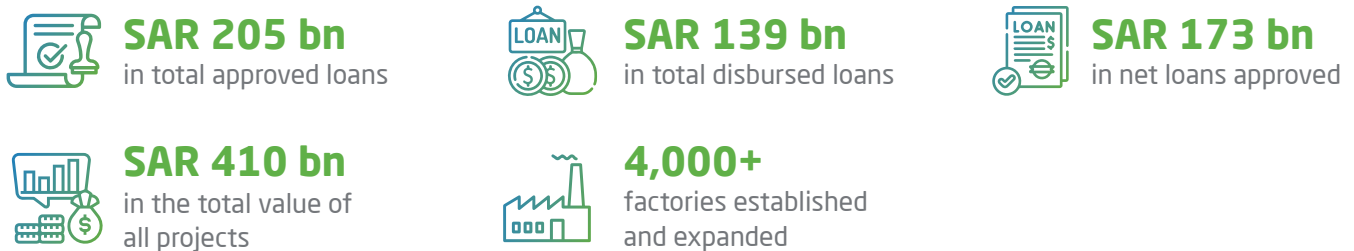
SIDF CEO

- > This year's Private Sector Enablement Event benefits from the recent launching of the National Industrial Strategy, the National Mining Strategy, and the National Transport and Logistics Strategy.
- > SIDF has launched the SIDF Investment Company, with the goal of supporting enterprises across Industry, Energy, Mining and Logistics, with a particular focus on SMEs.
- > Under the umbrella of the Ministry of Industry and Mineral Resources, we have launched a host of legislative and financial initiatives to stimulate the industry and enhance competitiveness.
- > We hope the private sector looks at the government sector not just as a provider of support, but as a partner in their investment journey within the Kingdom.

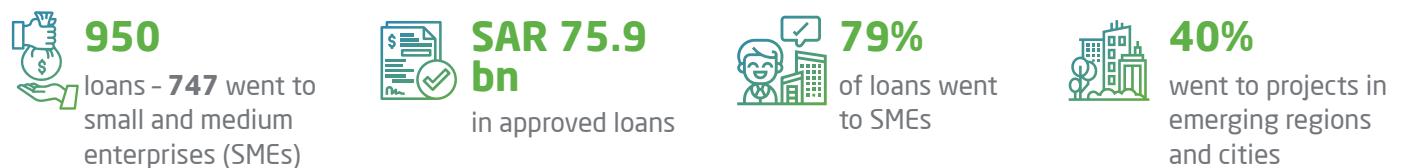


SIDF in figures

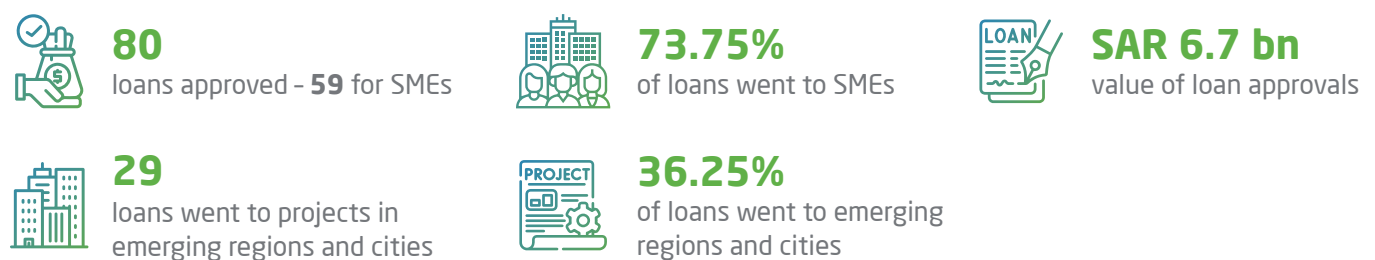
Since its establishment in 1974, SIDF has overseen



Since the launch of Vision 2030, SIDF has been involved in

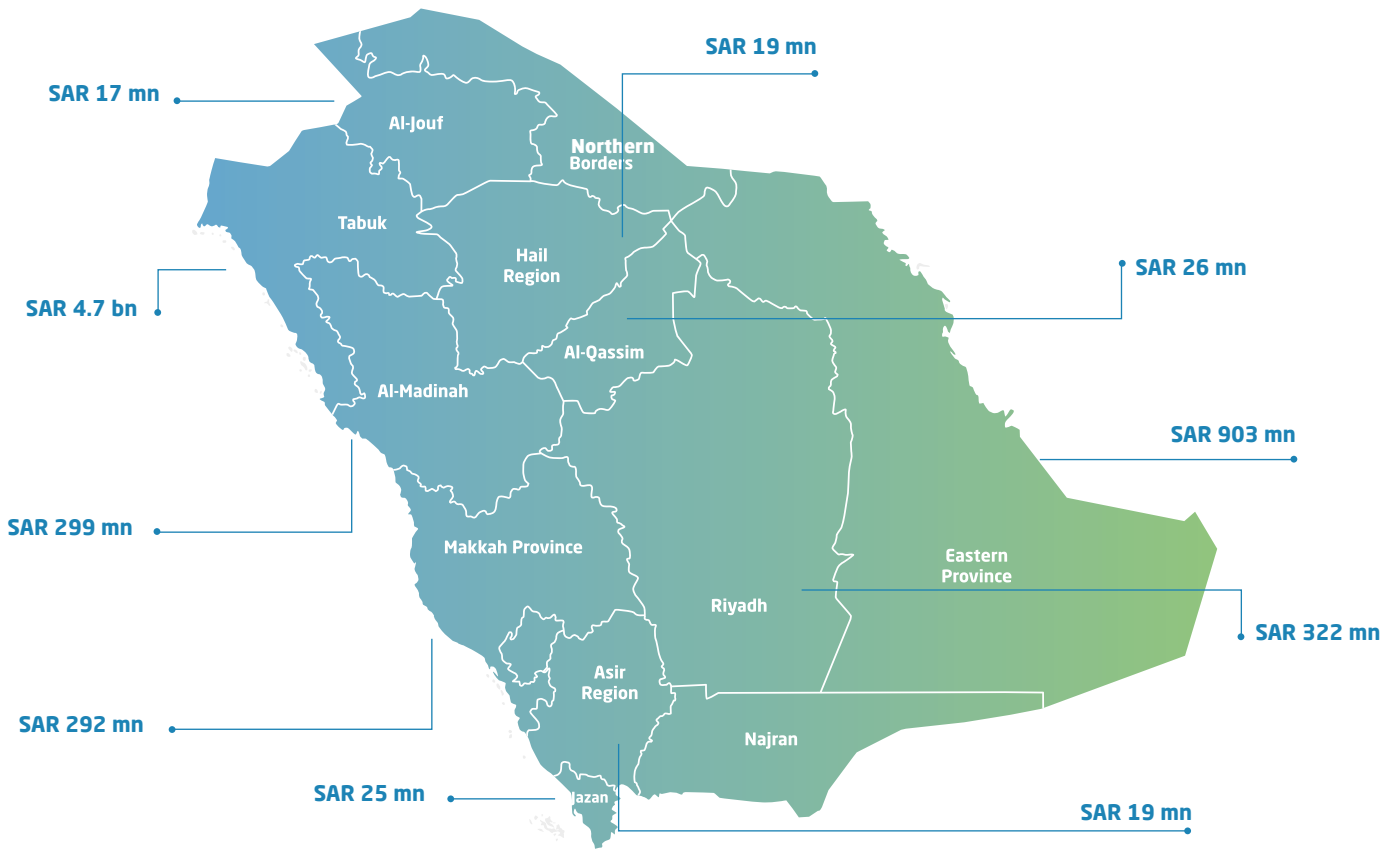


By the close of 2022 SIDF successfully oversaw





Loan distribution by region in 2022



Loan distribution by sector in 2022



With 73 loans approved for industry in 2022, subsectors that saw the most activity were

- 27** loans approved for consumer industries
- 27** loans approved for chemical industries
- 15** loans approved for engineering industries
- 2** loans approved for building materials
- 15** loans approved for miscellaneous other industries

SIDF specialized financing products disbursed in 2022 were as follows

- 17** letters of credit with partner banks
- 9** loans for working capital financing
- 2** loans for multi-purpose financing



SIDF's current portfolio



SIDF's Academy has, since its launch in 2019 had



9,000+
beneficiaries



95
training programs provided
by top global institutions

Through the incentivized programs - Mutajadeda, Tanafusiya, Tawteen and AFAQ, SIDF has overseen



SAR 3 bn
in total loans approved



Financial & Advisory Solutions

SIDF is the primary financial enabler of Saudi Arabia's transformation into an industrial powerhouse and global logistics hub, playing a vital role as a funder and advisor of the energy, mining, industry, and logistics sectors.

SIDF's core services

Project Financing Loans

- > Medium to long-term
- > Project Finance
- > New projects & existing ones looking to expand

Working Capital Financing

- > Short-term
- > Financing operational expenses

Supply Chain Financing

- > Short-term
- > Financing early invoice payments

Multipurpose Financing

- > Medium-term
- > Financing capital expenditure for operations
- > Includes ERP systems and supply chain logistics

Acquisition Financing

- > Medium-term (up to 7 years)
- > Financing acquisitions of complementary entities (upstream, downstream, and competitors)
- > Financing the acquisition of a specific technology, a method of manufacturing, or intellectual property
- > Financing loans for existing projects

Letters of Credit

- > Default payment mechanism to clients with preferred terms and conditions
- > Collaboration with leading commercial banks

Advisory Services NEW

- > Supporting clients through technical advisory services to boost their performance and achieve sustainable growth
- > Three services provided to clients:
 1. Cost Optimization
 2. Go-To-Market Strategy
 3. Plant performance optimization (newly launched)

Supporting Operational Needs Program NEW

- > Offering Guarantees to lender banks on behalf of their customers, reducing lending risk and increasing access to capital
- > Applications are made through participating commercial banks
- > Expanded Working Capital partnerships with commercial banks
- > Finances part of the operating expenses of accounts receivable, inventory, and accounts payable
- > Applications made to participating commercial bank and available to all existing projects within the sectors covered by SIDF

Industrial Tomoh NEW

- > An e-platform in partnership with Monsha'at through which SMEs can receive support for their growth and development goals
- > SMEs that operate within SIDF's four target sectors qualify for the Tomoh program

SIDF is expanding its portfolio through the provision of new lines of services targeted at incentivizing industries in Saudi Arabia's industrial ecosystem.



Human Capital Development

SIDF contributes to the development of human capital and localized skillsets in Saudi Arabia through various programs and initiatives.

01 SIDF Academy

02 Industrial Hackathon

03 SIDF Flagship Nokhab Program

04 Scholarship Program

05 High Potential Program

06 SIDF Knowledge Hub & Thought Leadership Reports

07 Market studies, webinars, study papers, events such as Know-vember

With the Nokhab program SIDF is developing Saudi talent through specially designed collaborative training programs created in partnership with the most distinguished universities and educational training institutions.



Nokhab credit program



Nokhab market studies program



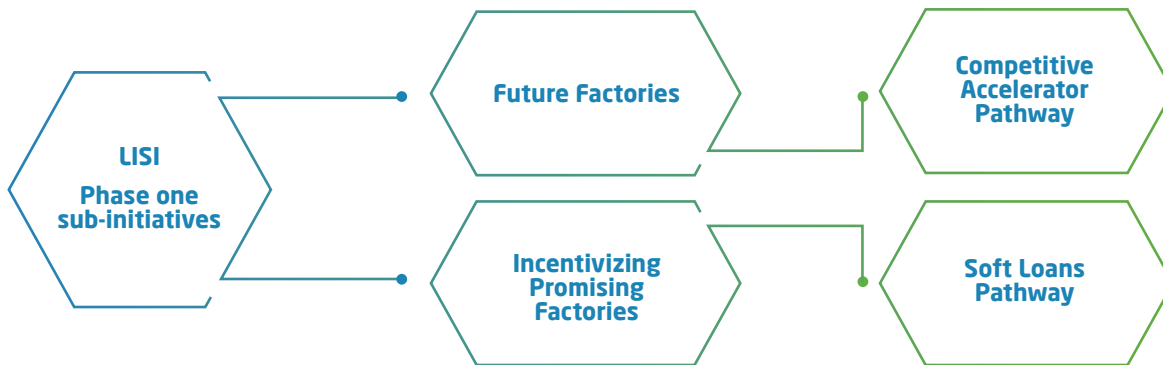
Nokhab engineering program





NEW: The Local Industry Stimulative Initiative (LISI)

The Local Industry Stimulative Initiative (LISI) is an umbrella initiative owned by the Ministry of Industry and Mineral Resources and the industrial ecosystem. LISI works to boost access to finance, innovation, operational efficiencies, production capacities and overall competitiveness of existing companies.



The initiative aims to stimulate industrial investment in the Kingdom and increase the operational efficiency and production capacity of local factories. It will also contribute to creating attractive opportunities for industrial investors and entrepreneurs to enter and expand in the sector.

Dr. Majid Algwaiz
GM, Advanced Manufacturing and Innovation

وزارة الصناعة
والتروة المعدنية
Ministry of Industry and Mineral Resources



Phase 1 Initiatives:

> Future Factories Initiative:

Competitive Accelerator Pathway: Conducted by the Ministry of Industry and Mineral Resources Ecosystem, SIDF offers the Competitive Accelerator Pathway, which works to financially support local players pursuing Industry 4.0 technologies for their business. This tool uses a combination of loans and grants to ensure 100% financial enablement for companies that respond to the established criteria. Accelerated financial support is offered in three different tracks, depending on project needs:



7-year

minimum financial support



24-month

grace periods



8-week

smaller project financing

> Incentivizing Promising Factories Initiative:

Soft Loan Pathway: The Soft Loan Pathway works to offer non-recourse lending for SMEs, as well as granting lower conditionality with capital to provide coverage for expected surge in capital requests for SMEs. This lending for SMEs done through SIDF will benefit SMEs operating within the industrial, energy, mining and logistics sectors.



NEW: SIDF Investment Company

The new SIDF Investment Company will be a catalyst for the growth of Saudi Arabia's non-oil economy and the emergence of dynamic new investment projects. Established as a key motivator to attract both local and foreign investors, the company will collaborate with the private sector to fund and develop dynamic projects. As a supporter of the Incentivizing Promising Factories Initiative, the company will incentivize private sector investors to participate in unique and promising industrial projects in Saudi Arabia.

The company will also support the development of localized suppliers and the manufacturing of competitive, strategic products in the Kingdom. All efforts of the company will be directed at projects within the four NIDL sectors covered by SIDF.

NEW: Partnerships to Empower the Private Sector

We have greatly expanded our partnerships with the private sector, working to support the operational needs of funded SIDF projects through

01 Support in acquiring Working Capital financing via an SIDF-backed guarantee

The program, which is run through applications made to participating commercial banks, is available to all existing projects within the sectors covered by SIDF that need working capital and have attractive credit histories.



SIDF clients can benefit from the program by



Receiving up to 2 years of financing from approved commercial banks



Receiving the full loan amount in advance



Strengthening their partnerships with commercial banks



Having procedures to obtain finance streamlined with SIDF support

02 Support in obtaining commercial credit facilities via an SIDF-backed Guarantee

These guarantees add business value by



Expediting finance



Mitigating risks from transactions



Offering credibility to businesses

SIDF offers two types of guarantees through this program

Working capital financing guarantees that ensure clients receive working capital loans from banks (SABB, BSF)

Trade credit guarantees that enable industrial clients to purchase raw materials through credit sales (Tasnee)



البنك السعودي الفرنسي
Banque Saudi Fransi



SABB ساب

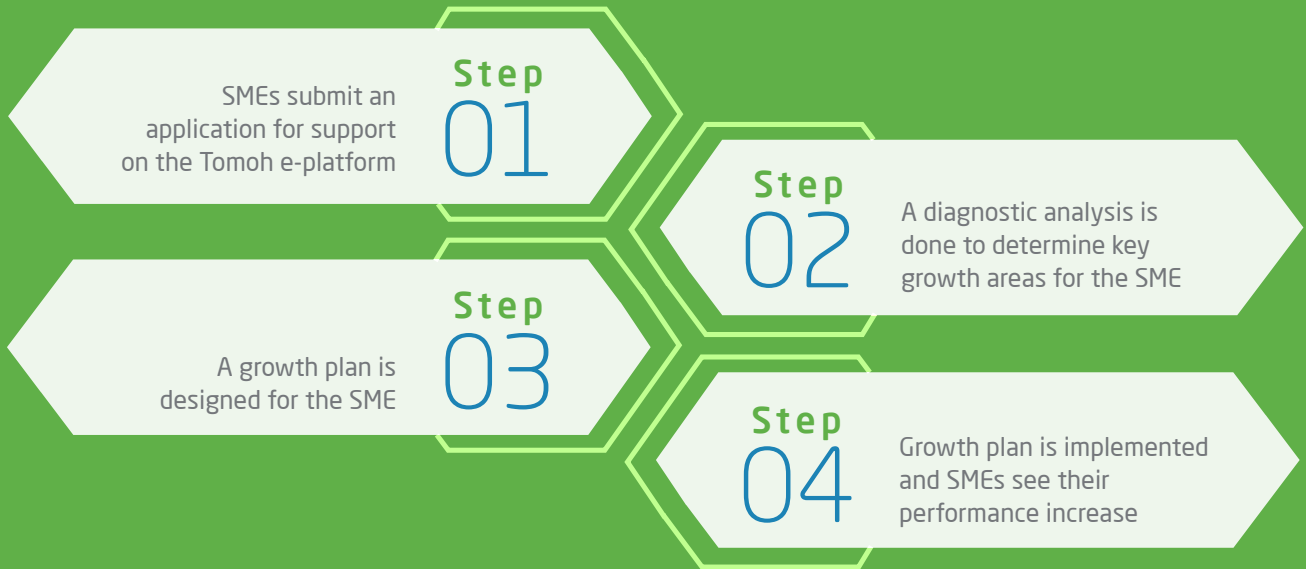
التصنيع TASNEE



NEW: Industrial Tomoh

Building on an already strong collaboration with Monsha'at, the General Authority for SMEs, the Tomoh program is an e-platform through which SMEs can receive support for their growth and development goals. SMEs

that operate within SIDF's four target sectors qualify for the Tomoh program, which now offers dedicated business diagnostic reports, with precise services from across public and private sectors recommended upon completion.



Tomoh is a network for high-performing companies from a wide range of sectors in Saudi Arabia. Tomoh links entrepreneurs with experts in scaling up business, helping to unlock their true growth potential. Companies part of Tomoh will also gain access to the Tomoh Network which links entrepreneurs with international programs like the Stanford Program and the Growth Institute. In addition, we also hold large scale events like the CEO Forum featuring over 500 SME CEOs, 7 enablers, and more than 20 international keynote speakers. So far, Tomoh has been very successful, with 45% of Tomoh's companies introducing a new product or service, 19% engaging in international expansion, and we have raised more than SAR 900 million for Tomoh companies.

SIDF and Monsha'at began collaborating in 2019 when we were running an early-stage version of the Tomoh program. Today, Tomoh is the leading initiative in Saudi Arabia in uplifting SMEs with 24 distinct services that have been used over 3,500 times.

Now, SIDF and Monsha'at are launching an industrial pathway within the program. Through this pathway, we provide diagnostic reports for companies to identify their strengths and weaknesses whether it be in human capital, strategy, financials etc. Based on the results, these diagnostic reports will then be used to identify services that will greatly benefit company growth.

Abdulrahman H. Alsmail,
Fast Growing Companies GM -
Tomoh, Monsha'at

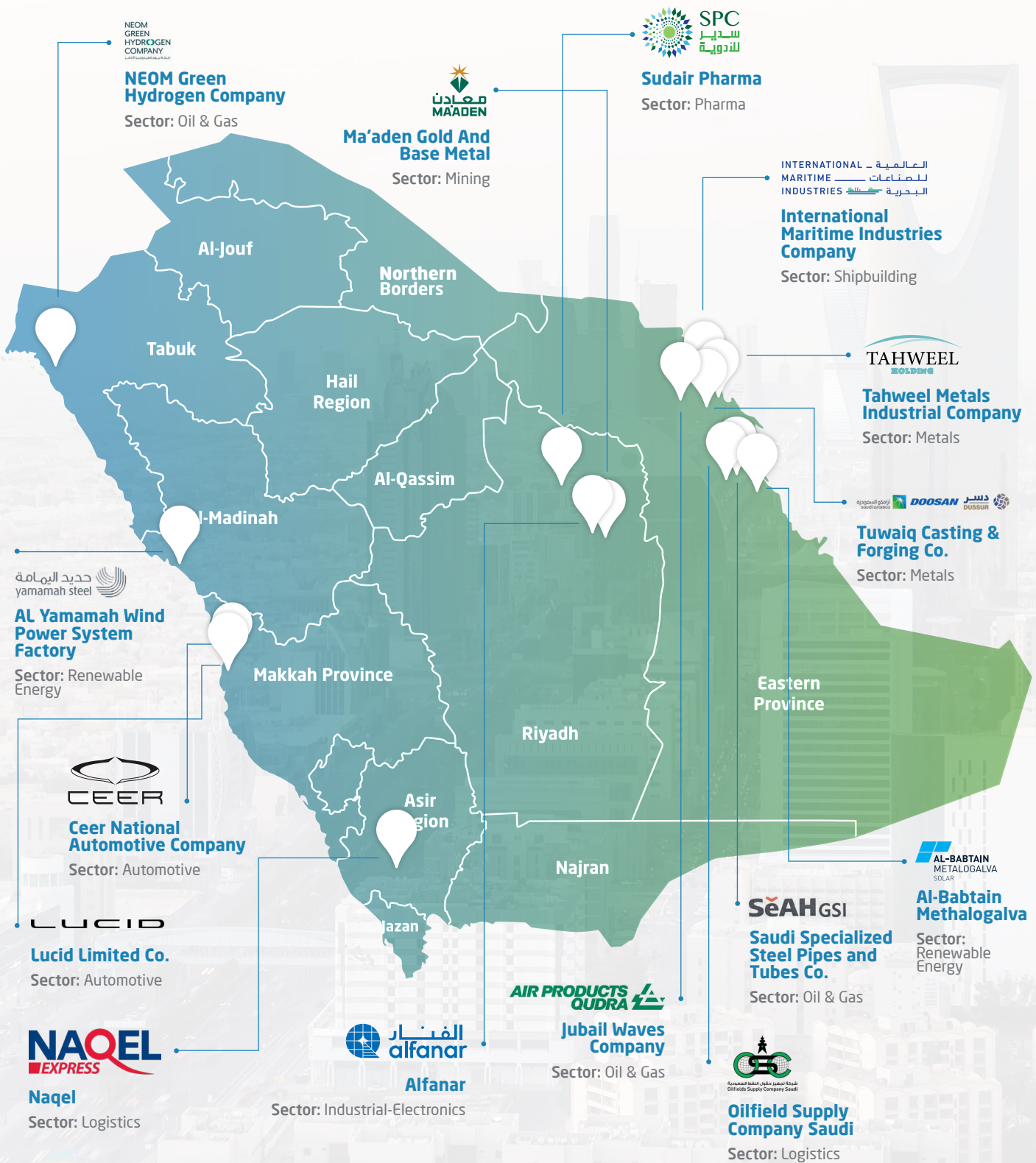


If you would like to know more about our Tomoh, visit our website [here](#)



Project Showcase

SIDF is committed to seeing the development of economic hubs across Saudi Arabia and so is a partner for projects in various locations in the Kingdom. Many of the major projects we are involved with are some of the most impressive and remarkable projects in the world.





SIDF on the Move

EXPANDED: A new advisory program, Plant Performance Optimization, added to roster

With a strong focus on creating excellence across the industrial ecosystem, SIDF is expanding its advisory service to create tailor-made solutions for its clients.

SIDF's advisory service is currently in its Pilot Phase - its primary focus is supporting client companies to enhance their operational performance and achieve sustainable growth.



Advisory provided within 3-4 weeks of request



Dedicated advisors analyze clients' strengths & weaknesses to create a report



The report provides key insights to clients geared toward cost optimization or Go to Market strategies



Cost optimization advisory service

Analysis of direct and indirect costs

Comparison of cost positions to the market

Analysis of procurement options



Go-to-market strategies

Provision of recommendations to improve go-to-market strategies

Advise on sales, prices, and product assortments

Analysis of market share, sales channels, and client segmentation



NEW: Plant Performance Optimization

Advisory services to assist in boosting the efficiencies of manufacturing operations

Thorough analysis and data collections, including field visits, by technical experts of manufacturing operations

Consultations based on analysis to implement efficiency-driven process changes

If you would like to know more about our advisory lines, visit our website [here](#)



EXPANDED: 8 new partnerships signed expanding Tanafusiya Program service providers.

Tanafusiya is a financing program which specializes in increasing the competitiveness of the industrial base by stimulating investment in digitization, automation, and energy-saving technologies.

The program's advantages have been increased,



Offering up to 75% financing on the project's value



Grace period up to 24 months



Repayment period of no less than 7 years



Accelerated path created to speed up the application and acceptance procedures

We are also pleased to announce agreements with eight companies to raise investors' awareness of these technologies and facilitate their procedures and planning for automation in their factories.



AFAQ

Honeywell

Honeywell



Meta 2i



Kafaa



Schneider Electric

SIEMENS

Siemens



Energy Efficiency Era

YOKOGAWA ◆

Yokogawa

If you would like to know more about Tanafusiya, visit our website [here](#)



UPDATED - SIDF digitization

SIDF has been conducting a wholesale digital transformation journey, focused on a streamlined customer journey, and migrating data collected over four decades to a unified digital platform. As a result of these efforts and initiatives, SIDF received recognition related to the digital transformation of its services and procedures:



Accreditation in Institutional Structure Maturity (Level 3) from the Digital Government Authority (DGA)



Middle East Award for Excellence in Government and Smart Cities, in the "Excellence in Government Services" category



2 gold awards in the "MENA Stevie Awards" for 2022



The IDC Excellence Award, in the category of excellence in digital creativity

SIDF's digital transformation has resulted in more than 1,700 contracts and documents completed electronically through



Accreditation and documentation of electronic contracts



Issuing bonds to an order electronically



Registration and mortgage release electronically



53% reductions in the loan processing period, down from 11 to 5 months



Reduced time for contracts signing from 3 weeks to 3 days



STRENGTHENING: Working with the Ministry of Energy to support renewable energy through Mutajadedda



SIDF has partnered with the Ministry of Energy to unlock the potential of renewable energy in Saudi Arabia through a dynamic incentive called Mutajadedda. The program sees support offered to local renewable energy producers as well as companies specializing in manufacturing supplies for the solar and wind energy segments.

The program incentivizes financing packages for



Distributed solar generating projects



Renewable component manufacturing



Independent Power Producer (IPP) developers

If you would like to know more about Mutajadedda, visit our website [here](#)

SME Support Program: AFAQ

AFAQ provides holistic support to the Kingdom's SMEs. AFAQ's key financing product, Scale Up, provides financial facilities to that enable enterprises to raise their production capacity to accelerate growth and expansion.



8 year minimum tenor loan



24 months grace period



30% upfront disbursement of loan amount



50% of loan amount - low net worth requirement

If you would like to know more about AFAQ, visit our website [here](#)





Coming Soon: SIDF's Knowledge Hub - bringing actionable insights to the public

SIDF's dynamic Knowledge Hub will draw on decades of experience in market research and data analysis to conclude expert insights and forecasting on the key subjects affecting the global economy.

Through reports and diverse online content, SIDF will offer insights into the various strengths and opportunities in Saudi Arabia's economy. These resources are equipped with case studies, the latest research, and up-to-date data. Current reports include coverage of Saudi Arabia's dynamic logistics sector, renewable energy sector and efforts to localize supply chains.

Apply now to receive funding through our digitalized customer journey

The Tamkeen platform creates a seamless user experience through which loan applicants can speedily apply and receive updates on their loan applications.

To apply for a loan, users simply need



Personal identification documents



Authorized letters of company signifying intent to apply for a loan

Through the creation of real-time digital dashboards, including for customer relationship management and credit checks, Tamkeen is a fully automated system to enable digital approvals. Equipped with an automated bank communications manager, navigating the dashboard is not only simple and easy to use for applicants, it also offers real-time AI support. Simultaneously, it allows SIDF to monitor and improve loan processes, leading to even more streamlined services for clients.

SIDF loan platform: [here](#)

Ebtda, Ministry of Industry and Mineral Resources digital services platform: [here](#)

National Center for Industrial Information: [here](#)



The road to 50 for SIDF

In line with Saudi Arabia's remarkable evolution as a globally competitive economy, the mission of SIDF has expanded over the last 48 years.

SIDF's strategy has evolved from a reactive funding institution into a proactive, client-centric fund aimed at creating a sustainable industrial ecosystem.

The evolution of SIDF



As SIDF looks set to celebrate its 50th year of operations, it aims to



Finance - supporting promising businesses in the industry, energy, mining and logistics sectors, ensuring that the private sector ecosystem can develop and grow



Advise - using experience and expertise to provide clients with the advice and support they need to become market leaders



Enable - a proactive advocate for the industrial ecosystem and widely recognized source of knowledge and insight that enriches deepens capabilities and encourages talent



Connect with SIDF

Tamkeen is an opportunity to reflect on SIDF's role in Saudi Arabia and reinvigorate our support for Vision 2030 and its ambitions. We thank all our stakeholders, and all attendees at the event, for their support. We invite attendees to learn more about our various initiatives, programs, and services:



Financial Products

01 Project finance

Financing offered to projects in industrial, mining, energy and logistics sectors

02 Supply chain finance

Financing to ensure suppliers are paid and operations run smoothly

03 Multipurpose finance

Financing capital expenditures to improve the operating value of projects

04 Acquisition finance

Currently in pilot phase, financing to assist with acquisitions

05 Guarantees

Partnership with lender banks to provide guarantees on behalf of customers so that payments are honored

06 Letters of credit

Assurance from top-tier banks in partnership with SIDF in favour of suppliers, stating that they'll get paid

07 Working capital finance

Financing to cover short-term needs as you grow your business. Working capital has been expanded with more options alongside partner banks



Advisory

01 Business Excellence

Advisory services aimed at boosting operational performance and market competitiveness of companies

02 Cost Optimization

Advisory services aimed at helping companies understand and address main cost drivers

03 Go-to-market

Advisory services aimed at sales, price and product strategies and segmentation



Programs

01 Mutajadeda

Program aimed at enhancing the competitiveness of Saudi Arabia's renewable energy industry

02 Tanafusiya

Financing to boost digital transformation and operational efficiencies

03 Tawteen

Financing and support for projects that boost local content

04 AFAQ

Financing to enable SMEs to raise production capacity and accelerate growth

05 Industrial Tomoh

An e-platform in partnership with Monsha'at through which SMEs receive support for their development goals



Human Capital Development

01 SIDF Academy

Provider of high-quality training programs to build the human capabilities in SIDF supported sectors

02 Knowledge Hub

Offering stakeholders insight into opportunities in Saudi Arabia's economy through dynamic reports and content

03 Nokhab

Flagship SIDF graduate development program offered via partnerships with the most distinguished universities and educational training institutions

Learn more about SIDF and our dynamic initiatives [here](#)

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Private Sector Enablement Event
حفل تمكين القطاع الخاص

SIDF 
صندوق التنمية الصناعية السعودي