








Industrial Pages

20
23

Table of Contents

Page number

	SIDF.. Enabling Success at Every Step	01
	Figures and Statistics	04
	SIDF Programs and Products	06
	Contributions of Virtual and Augmented Reality to the Industry	08
	SIDF Celebrates Al-Sayari's Legacy	09
	SIDF News	10
	Road to 50: Facts & Figures and Words Made of Gold	14

SIDF..

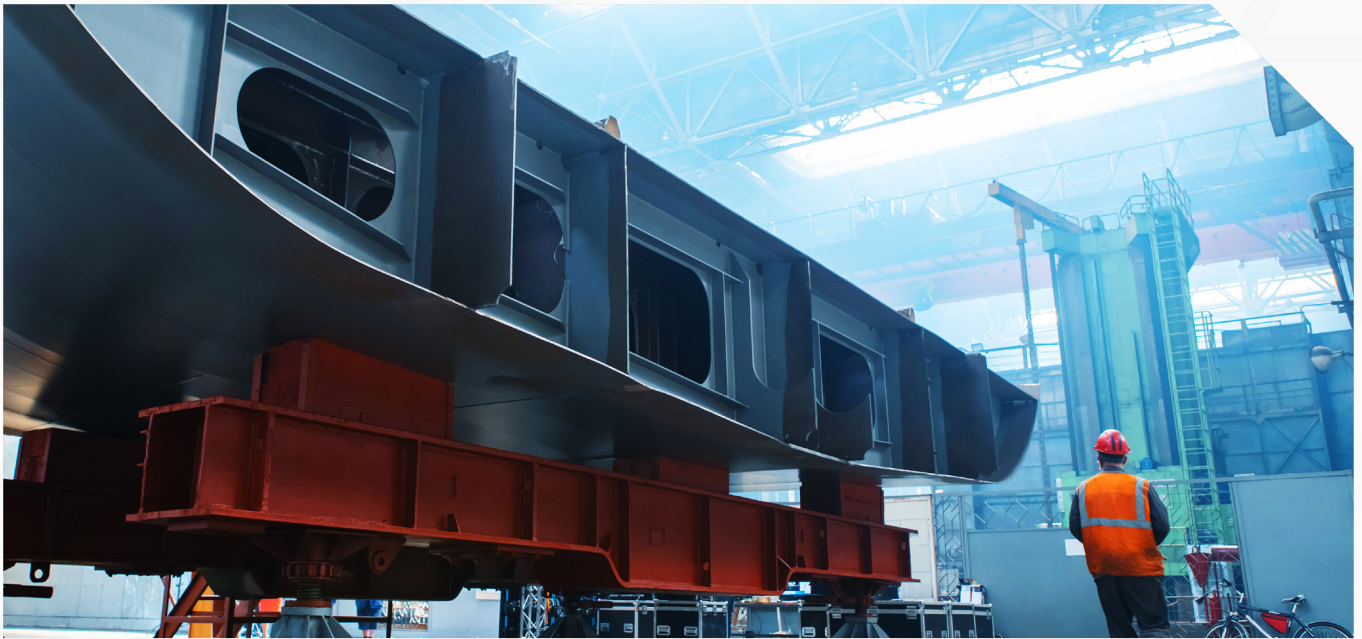
Enabling Success at Every Step



Since its inception in 1394 AH, SIDF has been dedicated to empowering and advancing the industrial sector within the Kingdom. SIDF's pivotal role in formulating, implementing, and achieving industrial development policies and programs not only provides crucial support to investors, business owners, and establishments but also extends its positive influence beyond these realms.

SIDF is driven by its core mission of promoting industrial development, seeking to optimize investment opportunities, elevate the local industry, and enhance its overall performance. Embracing a pioneering role, SIDF collaborates closely with government agencies to propel the growth of local industries and keep pace with sectoral advancements. Furthermore, its horizon extends to encompass diverse and promising sectors, including industry, energy, mining, and logistics, all aligning with the ambitious objectives of Vision 2030.

Ingrained within the culture of SIDF, customer success takes center stage, and our  **"Success Stories"** series stands as a testament to this commitment. Through heartfelt testimonials, beneficiaries have shared their journeys of triumph, attributing their success to the opportunities facilitated by SIDF. As a pivotal financial enabler, SIDF plays a crucial role in driving the industrial transformation and growth in the Kingdom.



👉 **Nasser Al-Hazani, the Chief Operating Officer at Zamil Offshore Services Company,** shared their experience with SIDF, stating, "We proposed the concept of transforming the Ship Repair Complex in Dammam into a comprehensive facility for shipbuilding and repairs." He further emphasized that 👉 **SIDF proved to be more than just a financial provider; they became a genuine partner in their success.**

Al-Hazani further explained, "In 2015, we embarked on military contracts. Then, with the Leadership's direction to localize 50% of military manufacturing, new opportunities arose. About a year before the Covid-19 pandemic, we proudly accomplished our goal of launching the first ship with a fully Saudi crew."

👉 **Khaled Al-Dakhiel, the owner and CEO of Modern Factory For Steel Industries Co. Ltd,** affirms that SIDF plays a vital role in promoting industrial development in the Kingdom. He mentioned, "We initiated the construction of the factory in 2002, and at the outset, SIDF granted us a small loan of 4.8 million riyals. The factory experienced remarkable growth in its first year of operation, doubling in size."

Al-Dakhiel continued, "We initiated a comprehensive industrial process transformation and 👉 **implemented automation,** which proved to be a demanding endeavor. Recognizing the significance of our efforts, SIDF deemed them worthy of financial support." In a proactive move, "SIDF suggested expanding our operations and increased the loan to 10 million riyals within the first year."

Today, Al-Dakhiel's company stands as one of the industry's largest manufacturers. "Our partnership with SIDF fills us with pride, and we have now expanded our exports to Gulf and Arab countries, as well as Palestine and the United States," Al-Dakhiel expressed.



👉 According to Mahmoud Jamjoom, Chairman of the Board of Directors at Jamjoom Pharma Factory, opportunities are plentiful, and the country has opened up numerous sectors. Recalling the past, he stated, "In 1992, we lost an important agency in the pharmaceutical industry. At that moment, I proposed to the group that we should establish a pharmaceutical factory. Soon after, in the same year, we successfully obtained the approval of the Industrial Fund."

He further emphasized, "SIDF advised us to travel to the US to meet international companies specialized in our field of work, and through meticulously planned stages, it facilitated our 👉 **gradual expansion.**" Jamjoom highlighted that "upon completing the first phase, the market size expanded, and Saudi factories demonstrated their exceptional capabilities in the market."

👉 Engineer Taha El-Khayyat, General Manager at El-Khayyat Ceramics, commended SIDF's handling of the Covid-19 pandemic and its significant role in supporting national factories. He stated, "Amidst the pandemic, we made an internal decision to manufacture products in a way that increased stock levels would not be a cause for concern. Additionally, we implemented programs to transition to natural gas, 👉 **which significantly enhanced our production efficiency and quality standards.**"

For nearly five decades, SIDF has been at the forefront of empowering the Saudi industrial sector, prioritizing the development of local talent and providing steadfast support to the local economy. With an unwavering commitment to meeting the private sector's expectations, SIDF continues to foster the growth and advancement of the industrial sector in the Kingdom.

Key Figures

143.5Amount spent
in billions**23%**

Promising areas

78%Small and medium
enterprises**4,957**Number of loans approved
since 1974

Last Update: End of The Second Quarter 2023

Industrial Production Index Surges 3.2% in April 2023



In April 2023, the Industrial Production Index saw a growth of 3.2% compared to the same month last year. This positive trend in the index can be attributed to increased production in the sectors of mining and quarrying, manufacturing, and electricity and gas supply activities.

Annual Industrial Production Index Growth Rates

In 2022, the Industrial Production Index experienced a series of successive positive growth rates, reaching its peak in April of that year. However, it gradually declined in May 2022, leading to an annual growth rate of 3.2% in April 2023.

April 2023: Mining and Quarrying Lead Industrial Production

The relative importance of mining and quarrying activities, the manufacturing industry, and electricity and gas supplies stood at 74.5%, 22.6%, and 2.9%, respectively. Therefore, the trends in the industrial production index are heavily influenced by the mining and quarrying activity.

In April 2023, production from mining and quarrying activity increased by 0.2% compared to the same month in 2022, with the Kingdom's oil production exceeding 10 million barrels per day during this period. The manufacturing activities continued to surge, showing a significant increase of 10.5%, while electricity and gas supplies activity rose by 25.5% compared to April 2022.

**%2.9**

Electricity and gas supplies

**%22.6**

Processing industries

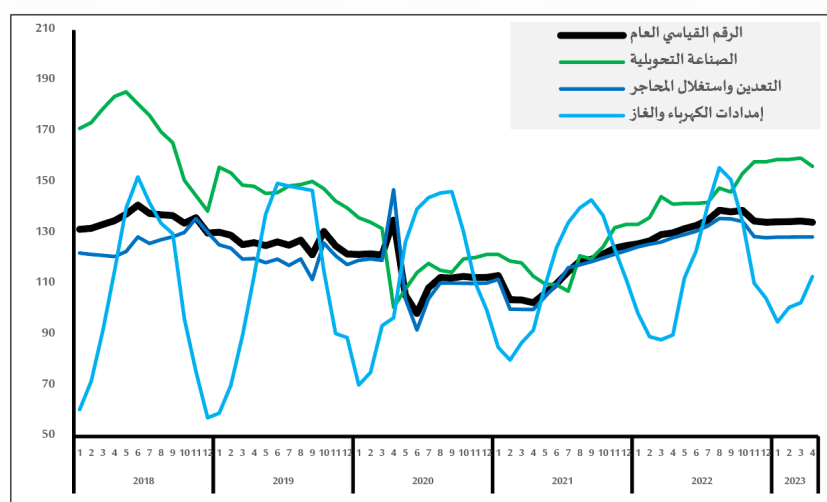
**%74.5**Mining activities and
the use of quarrying**%3.2**Rate of change in the general index
of industrial production

Annual Growth Rate of Industrial Production Index



Month	2020	2021	2022	2023
January	-6.7	-6.9	11.1	6.8
February	-5.7	-14.8	22.3	6.0
March	-3.3	-14.5	24.8	4.1
April	7.0	-24.0	26.7	3.2
May	-15.5	0.5	24.0	
June	-22.2	11.9	20.8	
July	-13.4	5.9	17.7	
August	-11.6	5.8	16.8	
September	-7.5	6.5	15.7	
October	-13.5	7.7	14.1	
November	-10.0	10.3	8.6	
December	-7.6	11.2	7.3	

The Industrial Production Index and the three sub-indexes (2018-2023)



Source — General Authority for Statistics

Programs and Products



Advisory Services

SIDF, through the advisory services, offers support to small and medium enterprises through a team of specialized consultants. They identify opportunities for enhancing performance, achieving growth, and ensuring sustainability.

SIDF excels as the perfect entity to offer consultations on the following aspects:

Improving cost efficiency

Market strategy

Improving the efficiency of manufacturing processes

Our advisory services are efficiently delivered within a timeframe of 3 to 4 weeks. This comprehensive process entails:

- Conducting on-site visits and engaging with senior management
- Identifying promising growth opportunities

- Thoroughly analyzing the establishment's strengths and weaknesses
- Crafting a comprehensive report featuring tailored recommendations and effective solutions to enhance performance

Beneficiaries:

Existing small and medium industrial enterprises.

 [Click here](#)

Mutajadedda



The program aims to bolster the growth of local players in the renewable energy sector, enhancing the quality of specialized solar and wind energy products to meet both local and global demands.

Objectives:

- Realize the nation's ambitions in the renewable energy sector.
- Facilitate the local production of renewable energy components to cater to domestic requirements.

3 funding options for the program:

1

Manufacturing Renewable Energy Components

- Repayment period of up to 15 years, with a grace period of up to 36 months.
- Financing covering up to 75% of the project value.

2

Manufacturing Renewable Energy Components

- Repayment period of up to 20 years, with a grace period of up to 36 months.

3

Distributed Solar Energy Generation Projects

- Repayment period of up to 15 years, with a grace period of up to 36 months.
- Financing available up to 75% of the project value.
- Open to developers and owners of commercial and agricultural projects.

Application process:



Registration:

Submitting an application to enroll in the program



Evaluation:

Conducting a feasibility assessment for the project



Initial Study:

Evaluating the project description to determine eligibility



Contract Signing:

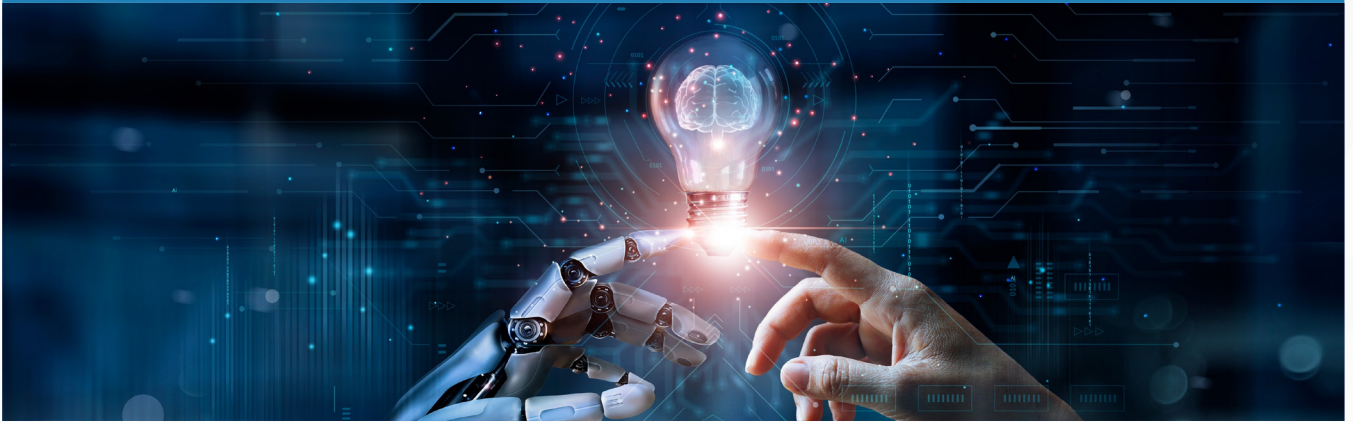
Finalizing the approval and registering the loan application



Click here

An Enlightening Article

Contributions of Virtual and Augmented reality to the industry



Virtual reality and augmented reality are rapidly evolving emerging technologies, considered among the most promising modern industries due to their diverse contributions across various fields, such as entertainment, electronic games, education, medicine, and manufacturing. These technologies enhance user experiences and boost productivity.

Virtual reality involves using high-accuracy and clear glasses to immerse users in three-dimensional virtual worlds, allowing for the creation of highly interactive environments, making it ideal for entertainment and electronic games.

On the other hand, augmented reality overlays virtual elements onto the real world, enhancing user interaction. It relies on applications that add virtual elements to real objects, thus offering a more interactive user experience.

In the industrial sector, these technologies find applications in training workers for complex and hazardous tasks in a safe and effective manner. They serve as interactive guides for maintenance and repair, improving efficiency and reducing repair time.

Furthermore, virtual and augmented reality enhance customer experiences by virtually interacting with different products, thereby enhancing the quality and efficiency of products and production processes.

Despite the positive impact in various industries, the implementation of virtual reality and augmented reality faces challenges. The high cost of developing and implementing these technologies and the need to train and adapt workers to use them efficiently are among the main obstacles at present.

Through Meeting the Industrial Makers

SIDF Celebrates Al-Sayari's Legacy



SIDF recently held a momentous event, the "SIDF Founders" meeting, as part of the 50th-anniversary celebrations and to honor the national figures who laid the foundation of SIDF. Former Chairman and General Manager, His Excellency Hamad Al-Sayari, was warmly welcomed and honored during the gathering.

His significant contributions to SIDF's establishment and its pivotal role in the country's industrial development have left a lasting impact on the organization's legacy. His Excellency Mr. Bandar Al-Khorayef, Minister of Industry and Mineral Resources and Chairman of SIDF's Board of Directors, along with Prince Sultan bin Khalid Al Saud, CEO of SIDF, graciously received Al-Sayari at SIDF's offices.

During the visit, Al-Sayari had the opportunity to explore SIDF's state-of-the-art facilities, learn about its ambitious initiatives, and revisit archived records. Nostalgic photos from his tenure as SIDF's general manager added to the sentimental journey. Furthermore, he engaged in an open and insightful discussion with leaders and employees of SIDF, covering various matters of mutual interest.

Mr. Khalil Al-Nammari, SIDF's official spokesman, praised the profound impact and enduring legacy of His Excellency Mr. Hamad Al-Sayari on SIDF. He applauded the exceptional efforts and foresight demonstrated by Al-Sayari throughout his illustrious career, creating an environment that fostered and supported national talents. His influence continues to resonate within SIDF, inspiring future endeavors and contributing to the Fund's ongoing success.

Watch SIDF honouring Al-Sayari





NDF Invests 10.3 Billion Riyals in Green Hydrogen Production Plant

The National Development Fund (NDF) and its subsidiaries have played a significant role in financing a groundbreaking venture the world's largest green hydrogen production plant. This remarkable facility, valued at over 10.3 billion Saudi riyals, is set to be established in the city of "Oxagon" in NEOM, thanks to collaborative efforts with local and international banks.

The initiative aligns perfectly with the strategic objectives set forth by Prince Mohammed bin Salman bin Abdulaziz, Crown Prince, Prime Minister, and Chairman of the Board of the National Development Fund. It underscores the Fund's commitment to becoming a pivotal enabler of "Saudi Vision 2030," while also complementing the efforts of the Saudi Industrial Development Fund and the National Infrastructure Fund to promote green and sustainable solutions throughout the Kingdom.

This visionary project reflects Saudi Arabia's determination to transition towards clean energy sources, answering the call for more environmentally friendly solutions in response to the global demand for energy. As a testament to the Kingdom's pioneering role in advancing new and alternative energy sources, green hydrogen has emerged as a leading investment with far-reaching impacts on a global scale. The endeavor showcases Saudi Arabia's dedication to shaping a cleaner and more sustainable future for the world.



This groundbreaking initiative receives strategic funding from the Industrial Development Fund (SIDF), a key player in bolstering industrial investment opportunities and elevating the performance of the local industry. SIDF actively contributes to shaping various industrial sectors and provides vital support to promising industries such as energy, mining, and logistics. By doing so, it empowers these sectors to realize their full potential, laying the groundwork for a sustainable and innovative economy, unlike any other in the region.

The National Infrastructure Fund, currently in its establishment phase, emerges as the primary financier for this ambitious project. With its primary focus on supporting crucial infrastructure projects in sectors that present attractive investment opportunities for the private sector, it will play a pivotal role in advancing the nation's developmental goals. When coupled with the support from the National Development Fund, this collaborative effort is projected to have an outstanding developmental impact on the economy, exceeding three times its current magnitude by the year 2030. The collective vision and dedication of these funds reinforce Saudi Arabia's commitment to forging a prosperous and sustainable future.

SIDF Receives Arab Digital Government Award 2023



SIDF has achieved a remarkable milestone by winning the prestigious Arab Digital Government Award for the year 2023 in the category of government innovation. This well-deserved recognition is attributed to the exceptional "Tamkeen" electronic system, along with the continuous efforts made to enhance the system according to user experience standards. SIDF's commitment to adopting and implementing cutting-edge digital solutions has contributed significantly to its institutional excellence.

Endorsed by the International Excellence Foundation (IEF) in the United States, this international award aims to celebrate and promote creativity in designing smart e-government websites and social media accounts. SIDF's recognition is a testament to its remarkable journey of digital transformation, which commenced in 2019. During this transformation, the fund expanded its financing scope to encompass not only the industrial sector but also mining, energy, and logistics services. This expansion firmly established SIDF as the primary financial enabler for the National Industrial Development and Logistics Program, an integral part of the visionary "Saudi Vision 2030" initiative. This achievement marks SIDF's dedication to stay at the forefront of digital advancements, ensuring its instrumental role in driving the nation's progress and fulfilling its aspirations for a prosperous future.

SIDF Expands Collaboration with GOSI



SIDF and the General Organization for Social Insurance (GOSI) signed a memorandum of understanding aimed at strengthening cooperation and support between the two entities. The signing ceremony took place in Riyadh, with the presence of His Highness Prince Sultan bin Khalid bin Faisal, CEO of SIDF, and His Excellency the Governor of the Foundation, Abdulaziz bin Hassan Al-Bouq.

The memorandum aims to enhance occupational safety and health standards and practices in the work environment, as part of the efforts of the General Organization for Social Insurance. It also enables SIDF to benefit from the institution's expertise in statistics and related data concerning work injuries in industrial facilities. The collaboration includes joint workshops on compliance and prevention of occupational risks for beneficiary establishments and those seeking to benefit from SIDF's services.

Through this partnership, both parties aim to increase establishments' commitment to occupational safety and health requirements, reduce work injuries, prevent economic losses, develop inspection models, and raise awareness about safety practices.

Facts & Figures and Words Made of Gold

ROAD TO 50

In August 1974

the Industrial Fund marked a milestone by granting its first-ever loans to two industrial projects. The first loan was allocated to a battery production factory, while the second went to a factory specializing in marble cutting and polishing.



Words of Gold



“Success in the industrial sector of any country depends not only on funding but also on finding solutions to financial, administrative, technical, and marketing challenges involved in establishing manufacturing programs. The SIDF takes pride in providing advice, guidance, and assistance to address these challenges effectively” Annual Report of SIDF, 1985.

His Excellency Mr. Muhammed Aba Al-Khail,
Minister of Finance, former Chairman of the Board of Directors of SIDF.



SIDF played a significant role in the development of
the electricity sector

by managing the lending program for electricity companies from 1976 to 1983.

The total amount of loans provided during this period reached

38.9 Billion
Riyals





Subscribe To
(INDUSTRIAL PAGES)

