

Saudi Arabia

1. Industrial Strategy

Saudi Arabia's industrial policy has traditionally been influenced by the state's control over hydrocarbon resources. Since the 1970s, the government has used oil earnings to create industrial cities, which are controlled by the Royal Commission for Jubail and Yanbu, as well as downstream petrochemical production, which is dominated by Saudi Aramco and SABIC. State-led industrialisation during this policy period was characterised by a focus on energy-intensive industries such as basic chemicals, fertilisers, and refining.¹

By the early 2000s, policymakers focused on strengthening the role of investment funds and industrial clusters in attracting international investment and expanding beyond hydrocarbons. Initiatives like the King Abdullah Economic City represented an early shift towards free zone-based development, while the Saudi Industrial Development Fund (SIDF) was reinforced to finance industrial projects. However, these policies limited more extensive structural change by maintaining a strong reliance on petrochemical exports.²

Vision 2030, launched in 2016, represented a shift from the hydrocarbon-centric approach.³ The National Industrial Strategy (2022) acknowledges this transformation by recognising twelve industrial priority sectors, such as mining, advanced manufacturing, and renewable energy.⁴ The implementation is coordinated by the National Industrial Development and Logistics Program (NIDLP), which integrates infrastructure investment with industrial expansion, supported by concessional financing from the SIDF.⁵

Recent developments include the construction of Special Economic Zones (SEZs) in 2023 under the Economic Cities and SEZ Authority (ECZA), aiming to attract global investors through specialised tax, customs, and regulatory regimes.⁶ High-technology projects such as the Saudi Semiconductors Program (2023) highlight a strategic move towards technological sovereignty and integration into advanced global value chains.⁷

¹ Royal Commission for Jubail and Yanbu, *Annual Report* (RCJY 2015).

² Saudi Industrial Development Fund, *About SIDF* (SIDF 2010) <<https://www.sidf.gov.sa/en/about>> accessed 19 August 2025.

³ Government of Saudi Arabia, *Vision 2030* (Government of Saudi Arabia 2016) <https://www.vision2030.gov.sa> accessed 19 August 2025.

⁴ Ministry of Industry and Mineral Resources, *National Industrial Strategy* (Government of Saudi Arabia 2022).

⁵ National Industrial Development and Logistics Program, *Program Overview* (Government of Saudi Arabia 2021) <<https://saudipedia.com/en/article/368/government-and-politics/vision-2030/national-industrial-development-and-logistics-program-nidlp>> accessed 19 August 2025.

⁶ Economic Cities and Special Zones Authority, *Special Economic Zones Regulations* (ECZA 2023) <<https://ecza.gov.sa/en/special-economic-zones>> accessed 19 August 2025.

⁷ King Abdulaziz City for Science and Technology, *Saudi Semiconductors Program* (KACST 2023).

2. Digital Strategy

Digital transformation is treated as a cross-cutting national priority under Vision 2030. A series of strategies led by the Saudi Data and AI Authority (SDAIA), the Ministry of Communications and IT (MCIT), and the Communications, Space and Technology Commission (CST) establish objectives for infrastructure, AI innovation, and data governance.

Key policies include:

- Digital Economy Policy (2020): foster innovation, enhance SME competitiveness, and promote a platform-based economy.⁸
- National Data and AI Strategy (2020): position Saudi Arabia as a global hub for AI by 2030.⁹
- Cloud First Policy (2019): mandate government migration to cloud-based systems.¹⁰
- National Cybersecurity Strategy (2017, updated 2021): safeguard national infrastructure and human capital.¹¹
- Personal Data Protection Law (2021, revised 2023): establish rules for privacy and data localisation.¹²
- Telecommunications and IT Act (2022): modernise ICT regulation and digital services.¹³

3. Main Constitutional Provisions

Saudi Arabia's constitutional framework is anchored in the Basic Law of Governance (1992), which underpins economic and digital regulation.

- Economic resources: Articles 14–16 establish state ownership of natural resources, extending by interpretation to spectrum and digital infrastructure.¹⁴

⁸ Ministry of Communications and IT, *Digital Economy Policy of Saudi Arabia* (MCIT 2020) <https://www.mcit.gov.sa/sites/default/files/digitaleconomypolicy_en.pdf> accessed 19 August 2025.

⁹ Saudi Data and Artificial Intelligence Authority, *National Data and AI Strategy* (SDAIA 2020) <<https://sdaia.gov.sa/en/SDAIA/SdaiaStrategies/Pages/NationalStrategyForDataAndAI.aspx>> accessed 19 August 2025.

¹⁰ Ministry of Communications and IT, *Cloud First Policy* (MCIT 2019) <https://www.mcit.gov.sa/sites/default/files/cloud_policy_en.pdf> accessed 19 August 2025.

¹¹ National Cybersecurity Authority, *National Cybersecurity Strategy* (Government of Saudi Arabia 2017, updated 2021) <https://nca.gov.sa/national_cybersecurity_strategy-en.pdf> accessed 19 August 2025.

¹² Saudi Data and Artificial Intelligence Authority, *Personal Data Protection Law* (Government of Saudi Arabia 2021, revised 2023) <<https://sdaia.gov.sa/en/SDAIA/about/Documents/Personal%20Data%20English%20V2-23April2023-%20Reviewed-.pdf>> accessed 19 August 2025.

¹³ Communications, Space and Technology Commission, *Telecommunications, and IT Act*, Royal Decree No M/106 (2022).

¹⁴ Basic Law of Governance, Royal Decree No A/90 (1992), arts 14–16 <<https://laws.boe.gov.sa/BoeLaws/Laws/LawDetails/16b97fcb-4833-4f66-8531-a9a700f161b6/2>> accessed 19 August 2025.

- Property rights: Articles 17–18 guarantee private property and capital, extended to cover intellectual property, digital assets, and data.¹⁵
- Law-making & treaties: Articles 70–71 require treaties and laws to be enacted by Royal Decree and published in the Official Gazette.¹⁶

4. Main Regulatory Provisions and Policy Developments

Between 2019 and 2023, Saudi Arabia enacted key digital economy laws:

- Cloud First Policy (2019)¹⁷
- National Cybersecurity Strategy (2017/2021)¹⁸
- SDAIA AI and Data Governance Policies (2023)¹⁹
- Telecommunications and IT Act (2022)²⁰
- Personal Data Protection Law (2021, revised 2023)²¹
- Electronic Transactions Law (2007, amended)²²
- E-Commerce Law (2019)²³
- Cloud Computing Services Provisioning Regulations (2022)²⁴

5. Regional Economic Treaties

Saudi Arabia complements its multilateral commitments at the WTO with active participation in regional and inter-regional trade agreements. These frameworks illustrate the Kingdom's dual approach of regional integration within the Gulf and broader economic engagement through free trade agreements.

- World Trade Organization (WTO): Saudi Arabia has been a member since 2005, integrating into the global multilateral trading system.²⁵

¹⁵ *ibid* arts 17–18.

¹⁶ *ibid* arts 70–71.

¹⁷ Ministry of Communications and IT, *Cloud First Policy* (2019).

¹⁸ National Cybersecurity Authority, *National Cybersecurity Strategy* (2017/2021).

¹⁹ Saudi Data and Artificial Intelligence Authority, *AI Ethics Principles and Data Policies* (SDAIA 2023) <<https://sdaia.gov.sa/en>> accessed 19 August 2025.

²⁰ Communications, Space and Technology Commission, *Telecommunications, and IT Act* (2022).

²¹ Saudi Data and Artificial Intelligence Authority, *Personal Data Protection Law* (2021, revised 2023).

²² Government of Saudi Arabia, *Electronic Transactions Law*, Royal Decree No M/8 (2007, amended).

²³ Government of Saudi Arabia, *E-Commerce Law*, Royal Decree No M/126 (2019).

²⁴ Communications, Space and Technology Commission, *Cloud Computing Services Provisioning Regulations* (CST 2022).

²⁵ World Trade Organization, *Members and Observers List* (WTO 2005) <https://www.wto.org/english/thewto_e/whatis_e/tif_e/org6_e.htm> accessed 19 August 2025.

- Gulf Cooperation Council (GCC): Participation in the GCC Customs Union and common market, providing for tariff harmonisation and the free movement of goods, services, and capital²⁶
- GCC–Singapore Free Trade Agreement (2013): Entry into force in 2013, covering trade in goods, services, and investment.²⁷
- GCC–EFTA Free Trade Agreement (2014): Effective since 2014, liberalising trade between GCC states and the European Free Trade Association²⁸
- Greater Arab Free Trade Area (GAFTA/PAFTA): In force since 2005, enabling tariff-free trade among League of Arab States members²⁹

6. Plurilateral Agreements

Saudi Arabia participates in several WTO plurilateral agreements:

- Joint Statement Initiative on Services Domestic Regulation.³⁰
- Joint Statement Initiative on E-Commerce.³¹
- Joint Statement Initiative on Investment Facilitation for Development.³²
- Joint Statement Initiative on MSMEs.³³
- Observer status in the WTO Government Procurement Agreement.³⁴

²⁶ Gulf Cooperation Council, *Economic Agreement between the GCC States* (GCC 2001).

²⁷ World Trade Organization, *GCC–Singapore Free Trade Agreement* (2013) <<https://www.fta.gov.sg/fta-gcc>> accessed 19 August 2025.

²⁸ European Free Trade Association, *GCC–EFTA Free Trade Agreement* (EFTA 2014) <https://www.efta.int/free-trade/free-trade-agreements/gcc> accessed 19 August 2025.

²⁹ League of Arab States, *Greater Arab Free Trade Area Agreement* (1997, in force 2005) <https://www.lasportal.org/> accessed 19 August 2025.

³⁰ World Trade Organization, *Joint Statement Initiative on Services Domestic Regulation* (WTO 2022) <https://www.wto.org> accessed 19 August 2025

³¹ World Trade Organization, *Joint Statement Initiative on E-Commerce* (WTO 2022) <https://www.wto.org> accessed 19 August 2025.

³² World Trade Organization, *Joint Statement Initiative on Investment Facilitation for Development* (WTO 2022) <https://www.wto.org> accessed 19 August 2025.

³³ World Trade Organization, *Joint Statement Initiative on MSMEs* (WTO 2022) <https://www.wto.org> accessed 19 August 2025.

³⁴ World Trade Organization, *Agreement on Government Procurement – Observer List* (WTO 2022) <https://www.wto.org> accessed 19 August 2025.

7. *International Disputes and Proceedings* Saudi Arabia has been a respondent in only one dispute directly concerning digital policy:

- DS567 (Saudi Arabia – Protection of Intellectual Property Rights, 2018–2020): a complaint by Qatar on broadcast piracy, with the panel ruling against Saudi Arabia.³⁵

This remains the only dispute directly related to digital policy. Other disputes have addressed traditional trade measures, such as:

- DS606: European Union – Provisional Anti-Dumping Duty on Mono-Ethylene Glycol (2021): Initiated by Saudi Arabia against the EU, concerning anti-dumping measures applied to petrochemical exports.³⁶

Saul Saunders (Last updated 21 August 2025)

³⁵ World Trade Organization, *Saudi Arabia – Protection of Intellectual Property Rights* (DS567, Panel Report, 2020) <https://www.wto.org/english/tratop_e/dispu_e/cases_e/ds567_e.htm> accessed 19 August 2025.

³⁶ World Trade Organization, *European Union – Anti-Dumping Duties on Mono-Ethylene Glycol from Saudi Arabia* (DS606, Request for Consultations, 2021) <https://www.wto.org/english/tratop_e/dispu_e/cases_e/ds606_e.htm> accessed 19 August 2025.