



### Overall performance

Saudi Arabia has been implementing significant economic reforms as a part of its Vision 2030, including reforms to the ease of doing business, getting construction permits, access to credit, resolving insolvency, and improvement across its procurement and permit processes. These reforms are encouraging the entry of new businesses, adding transparency to procurement processes, and increasing competition. While government debt levels have increased, and may be affected over the long-term by the COVID-19 pandemic, Saudi Arabia remains in a comfortable position to fund future infrastructure projects and continue its reforms. Most recently, newly implemented insolvency and procurement laws have been implemented, which is yet to be reflected in InfraCompass rankings.

Drivers	Rank (1/6)	Rank change (2017-20)	Score (1/100)	Emerging	Aspiring	Contender	Top performer	Global leader
Governance	51	↑ 5	48	Light Blue	Light Blue	Light Blue	Light Blue	Light Blue
Regulatory frameworks	69	↓ 3	45	Green	Green	Green	Light Blue	Light Blue
Permits	31	↑ 8	76	Blue	Blue	Blue	Blue	Light Blue
Planning	29	↑ 25	85	Dark Blue	Dark Blue	Dark Blue	Dark Blue	Dark Blue
Procurement	31	↑ 11	81	Light Green	Light Green	Light Green	Light Green	Light Green
Activity	70	↓ 17	16	Teal	Light Blue	Light Blue	Light Blue	Light Blue
Funding capacity	21	↓ 2	54	Orange	Orange	Orange	Light Blue	Light Blue
Financial markets	32	↓ 6	40	Yellow	Yellow	Yellow	Light Blue	Light Blue

### Saudi Arabia at a glance

**\$22,865**  
GDP per capita  
(USD, 2019)

**34.1 million**  
Population  
(2019)

**2.5% of GDP**  
Infrastructure investment  
(2019 estimate)

**0.5% of GDP**  
Infrastructure gap  
(2019 estimate)

**78.1**  
Infrastructure quality  
(0-100, 100 is best, 2019)

**\$764 million**  
Private infrastructure investment  
(5-year average, USD, 2019)

### Top performing metrics



**98.7/100**

#### Registering property

According to the World Bank, it now takes an average of one and a half days to register a property in Saudi Arabia. This marks a significant improvement on the average of 8 days it took in 2014 and compares favourably with the 26.6 day average across the Middle East and North Africa.



**90.7/100**

#### Financial stability

Saudi Arabia's banking sector shows resilience and stability, with indicators showing a liquid and well-capitalised system.



**89.2/100**

#### Cost to start a business

According to the World Bank it takes 5.4% of income per capita to start a business, slightly above the 4.7% average for High Income Countries. Lowering costs to start a business could ease the entry of new firms.

### Opportunities to grow



**No**

#### Economic analysis assessment

According to the World Bank, Saudi Arabia does not require the assessment of infrastructure projects based on their impact on the economy or community.



**0/100**

#### Recovery rate\*

According to the World Bank, the recovery rate for insolvency in Saudi Arabia is low, due to a deficiency of bankruptcy and insolvency laws. However, Saudi Arabia has recognised this and a new Insolvency Law was introduced in April 2019 as part of Saudi Vision 2030. Given this, it is anticipated that this metric will improve in the foreseeable future.



**0/100**

#### Strength of insolvency framework\*

Historically, Saudi Arabia has lacked modern bankruptcy regulations. However, given the recent introduction of a new Insolvency Law in April 2019, this metric is also anticipated to improve in the foreseeable future.

\*The World Bank's Doing Business Report data for these metrics was collected between February and June 2019. The data does not account for the outcomes of the new Insolvency Law.

For guidance on how to improve these metrics, please see the [Saudi Arabia Country Page](#) on the InfraCompass website.



## ECONOMY OVERVIEW

GDP (\$US billion, 2019)	779.3	Population (million, 2019)	34.1	Unemployment rate (2019)	5.9%
GDP per capita (\$US, 2019)	22,865	Urbanisation ratio (2018)	84.0%	Inflation rate (2019)	-1.1%
GDP growth rate (annual, 2019)	0.2%	Gross Government Debt (% of GDP, 2019)	23.0%	Digital Adoption Index (0-1 best, 2016)	0.67
GDP per capita growth rate (annual, 2019)	-2.9%	Sovereign risk rating (2019)	76	Gini coefficient (0-100 worst, NA)	42.2

## METRIC SCORES

The below metrics are normalised so that they all range from 0 to 100. For original metrics and data sources, please see <https://infracompass.github.org/>

GOVERNANCE		REGULATORY FRAMEWORKS		PERMITS	
Post-completion reviews?	Yes -	Effect of taxation on incentives to invest	55.4 ↓	Cost to start a business	89.2 ↑
Infrastructure or PPP unit/agency?	Yes -	Prevalence of foreign ownership	47.6 ↓	Dealing with construction permits	68.3 ↑
Recovery rate	0 -	Product market regulation, network sectors	54.2 <sup>^</sup> -	Quality of land administration	46.7 ↑
Rule of law	52.8 ↓	Regulatory (including competition) quality	49.1 ↓	Registering property	98.7 ↑
Shareholder governance	60 ↑	Strength of insolvency framework	0 -	Time required to start a business	76.8 ↑
Political stability and absence of violence	41.4 ↓	Investment promotion agency?	Yes -		

PLANNING		PROCUREMENT		ACTIVITY	
Published project pipeline?	Yes ↑	Average procurement duration – transaction RFP	70.4 ↓	Infrastructure investment	33.4 ↓
Published infrastructure plan?	Yes -	Degree of transparency in public procurement	75 ↑	Private infrastructure investment	14.1 ↓
Preparation of PPPs	34 ↓	Published procurement guidelines?	Yes -	Value of closed PPP infrastructure deals	10.9 ↓
Economic analysis assessment?	No -	Procurement of PPPs	71 -	Value of closed infrastructure deals with foreign equity sponsorship	4.7 ↑
Market sounding and/or assessment?	Yes -	PPP contract management	33 -		
Environmental impact analysis?	Yes -				

FUNDING CAPACITY		FINANCIAL MARKETS	
GDP per capita	29.2 ↑	Domestic credit to private sector	26 ↓
Gross government debt	81.8 ↓	Financing through local equity market	55.6 ↓
Long term GDP growth trend	30.5 ↓	Stocks traded	26.5 ↓
Summary credit rating	76 ↓	Financial depth	46.1 ↑
		Financial stability	90.7 ↑

**Drawing on data from:** International Monetary Fund, Organisation for Economic Co-operation and Development, World Bank, World Economic Forum, IJ Global, CEPPII, Oxford Economics, Trading Economics, and Deloitte.

**Metric key:**

↑ Increase from InfraCompass 2017   ↓ Decrease from InfraCompass 2017   - No change from InfraCompass 2017

**Note:**

'Top performing metrics' are the metrics with the highest score out of 100.

'Opportunities to grow' are generally the metrics with the lowest weighted score out of 100.

<sup>^</sup>Denotes interpolated metric data. See Technical Appendix for further explanation on the interpolation techniques.