



# Saudi Economy Watch 2025

**The next phase of economic  
diversification**

A new growth framework for  
the Kingdom



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# Introduction

## 56%

### of GDP

Non-oil sector share of the SAR 4.7tn economy

SAR

## 256bn → 393bn

Increase in non-oil revenues (2017 to 2025)

Since the launch of Vision 2030, Saudi Arabia has made rapid progress in expanding non-oil activity. As of 2024, the non-oil sector accounts for around 56% of a SAR 4.7 trn (US\$1.25trn) economy, and non-oil fiscal revenues have increased by more than 50% since 2017.<sup>1</sup>

These gains reflect sustained reforms to the business environment, large scale public investment and rising private sector participation. This includes the rollout of major giga projects; the expanding role of the Public Investment Fund (PIF) in anchoring new sectors, from tourism to advanced industrials and automotive manufacturing; and the success of Vision Realisation Programmes to coordinate policy, regulation and investment across government.

While headline indicators reflect continued progress in economic diversification, oil market conditions remain an important factor influencing non-oil activity. A material share of recent non-oil growth continues to be supported, directly or indirectly, by oil-related fiscal revenues, which links economic outcomes to movements in global oil prices. In 2025, softer oil prices reduced projected fiscal revenues by 13.3% year-on-year and contributed to a more constrained expenditure environment, highlighting the ongoing relationship between oil market dynamics and the scale, timing and composition of non-oil investment.

This linkage extends beyond short-term demand conditions. Productivity indicators suggest that recent non-oil growth has been driven primarily by capital investment, labour force expansion and public sector support. Aggregate measures point to a moderation in total factor productivity since the mid-2010s, indicating scope for future diversification gains to be increasingly underpinned by efficiency improvements, innovation and private sector-led productivity growth as the economic transition advances.

As fiscal conditions tighten, the next phase of diversification requires greater emphasis on how growth is generated, not simply how much is achieved. Progress will depend less on expanding non-oil output in aggregate and more on directing capital towards activities that raise productivity, generate scalable exports and attract private investment that can endure with lower reliance on the oil cycle.

This shift reflects a broader recalibration of economic strategy towards resilience. Policymakers are placing greater weight on whether growth can be maintained through external shocks and fiscal cycles, particularly in a more fragmented global environment and under pressure from lower hydrocarbon revenues.

Against this backdrop, this study examines how oil prices continue to shape non-oil economic performance in Saudi Arabia and sets out an export-oriented growth framework to guide investment towards more productive, competitive and resilient sources of non-oil growth in the Kingdom.

## 01

# How oil prices shape the non-oil sector

## Oil prices and revenues influence non-oil economic performance through the following channels:

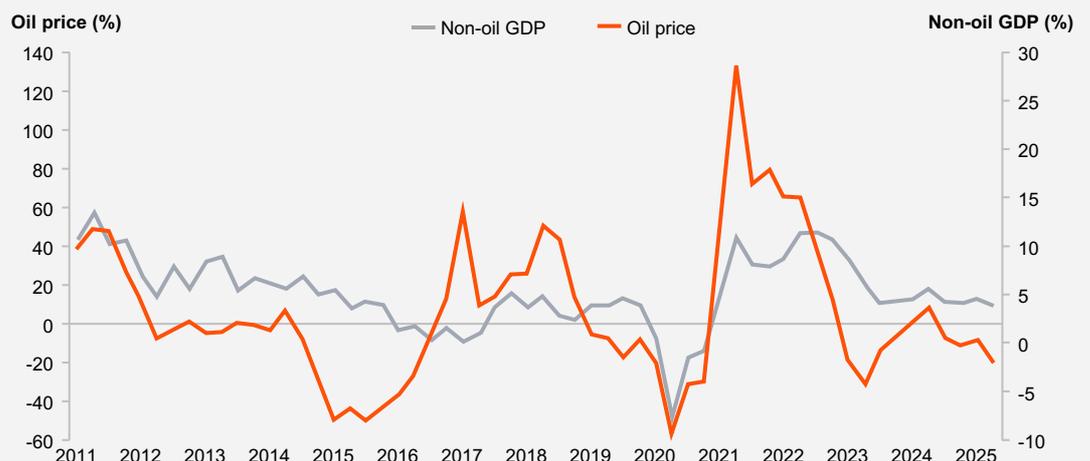
First, oil prices shape fiscal space and the pace of public investment. Periods of high prices have enabled rapid capital deployment, infrastructure expansion and broad demand support across non-oil sectors. However, when prices soften, expenditure is reprioritised, borrowing pressures rise and investment pipelines slow. This underscores the need to use limited fiscal resources to build lasting productive capacity rather than activity with limited long-term economic returns.

Second, oil market conditions influence investment behaviour, particularly from foreign investors. Domestic business sentiment has become more resilient, with PMI readings remaining in expansionary territory even during periods of softer oil prices. External capital, however, remains sensitive to fiscal outlooks, public spending trajectories and the credibility of long-term growth, contributing to flatter FDI inflows during recent periods of oil price weakness.<sup>2</sup>

Third, oil prices affect the external position and the availability of foreign exchange needed to finance diversification. Foreign exchange reserves support imports of capital goods, technology and specialised services critical to non-oil growth. When oil revenues weaken, external buffers come under pressure, funding conditions tighten and non-oil projects may be delayed or scaled back. This reinforces the importance of building non-oil exports that generate stable foreign currency earnings and reduce reliance on oil-funded reserves.<sup>3</sup>

Our empirical analysis confirms that these channels remain economically meaningful. We estimate the elasticity of non-oil GDP with respect to oil price to be 0.05, meaning that a 10% change in oil prices is associated with around a 0.5% change in non-oil GDP.<sup>4</sup>

Figure 1: Changes in oil price and changes in non-oil GDP over time





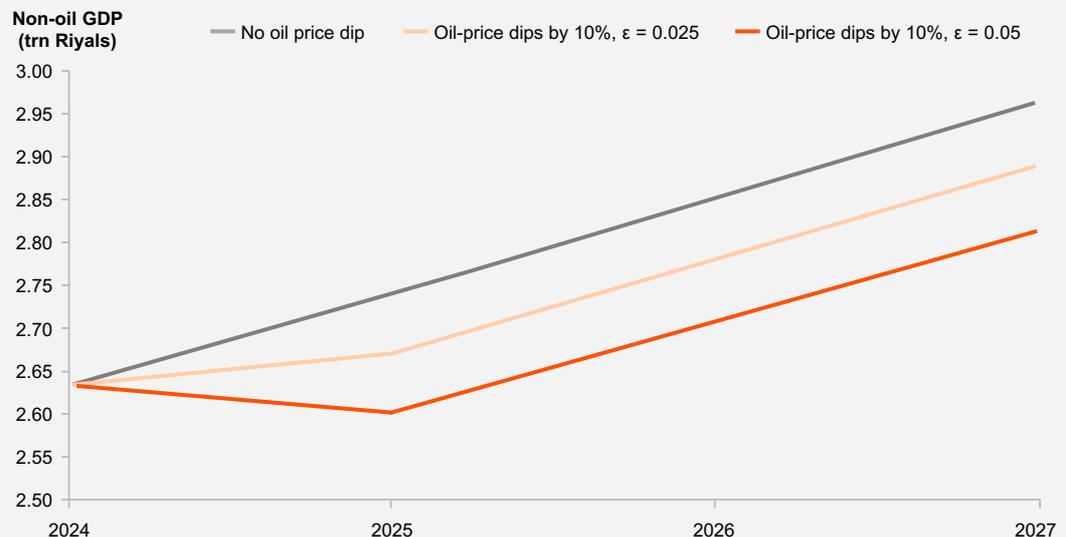
We estimate the elasticity of non-oil GDP with respect to oil price to be 0.05

**10%**

**change in oil price is associated with a 0.5% change in non-oil sector GDP**

To put this in perspective, a 10% dip in oil price sustained over three years would represent a cumulative loss of non-oil GDP of around SAR 430bn, against baseline non-oil GDP growth.<sup>5</sup> If non-oil GDP were only half as sensitive to oil price movements, the cumulative loss of non-oil GDP over the three years would be limited to only SAR 215bn. This highlights the risk that oil price swings pose to the non-oil economy, as well as the importance of reducing the dependence of non-oil GDP growth on the oil economy.

Figure 2: the impact of oil price decline on non-oil GDP



These findings do not imply that diversification efforts to date have been ineffective. Rather, they underline that the economy remains in transition. The policy question is therefore how to reduce the influence of oil prices on non-oil performance over time by improving the quality, structure and sustainability of growth.

## 02

## Why export-oriented growth matters

For a resource-rich economy like Saudi Arabia, growth that is driven mainly by domestic consumption does not provide sufficient insulation from commodity cycles. As long as oil revenues anchor household incomes and public spending, domestic demand will continue to be influenced by oil price swings.

### Export-oriented activity matters as it supports sustainable diversification through several mechanisms:



#### Creating an independent engine of demand

Domestic consumption is limited by the size of the resident population and its income. Export markets, by contrast, give firms access to global demand that responds to different economic forces. This creates a second engine of growth that can run even when the domestic economy is impacted by oil price declines.



#### Building capabilities through competition

Exporting requires firms to meet demanding global standards on price, quality and technology. Exposure to international competition accelerates learning, improves productivity and encourages skills investments. These gains spill over into related industries, strengthening the broader production ecosystem and improving the capacity of firms across the economy to innovate and scale.



#### Expanding the foreign exchange base

Heavy reliance on oil exports can leave external positions exposed, especially when foreign currency earnings shrink when oil prices fall. A broader non-oil export base generates more diversified foreign revenue streams and provides a buffer in periods of weak oil prices and support smoother fiscal and monetary management.



#### Changing the nature of investments

A consumption-led model pulls investment into the retail, real estate and low-productivity sectors, which generate short-term value but does not meaningfully lift productivity. On the other hand, tradable goods and services generate higher productivity and create skilled jobs with better wage progression, as these often require specialised inputs and innovation.<sup>6</sup>

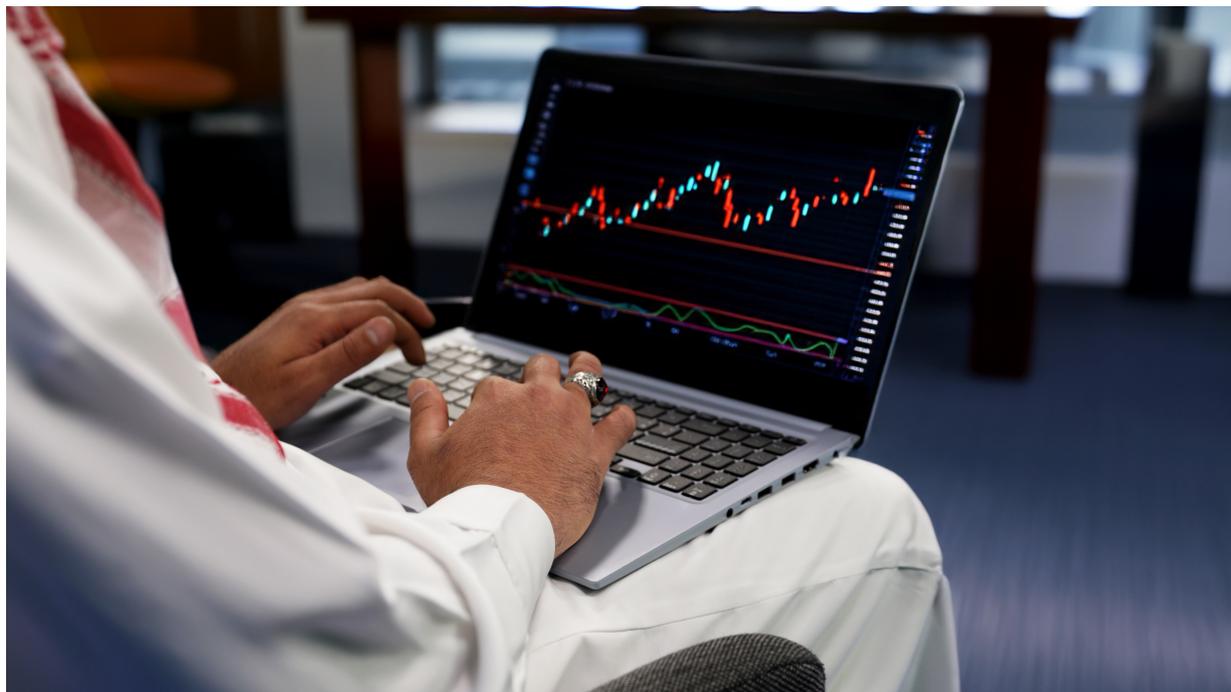
**International experience shows how export-oriented diversification has anchored structural transformation in resource-scarce and resource-rich economies alike:**



### **Case study: Korea's targeted capability building through adjacent sectors**

Korea's development path illustrates how export-orientation can create cumulative capability gains. Early investment in shipbuilding shaped a foundation of engineering, fabrication and systems integration capabilities. These capabilities supported expansion into adjacent industries such as chemicals, automotive, electronics and machinery. Export markets rewarded firms that scaled quickly, adopted advanced production techniques and met global quality standards. Over time, these capabilities enabled Korea to climb technology ladders and consolidate globally competitive firms across multiple sectors. Its strategy focused on an industry that could anchor wider capability development: shipbuilding created a platform of heavy industry competencies that firms later applied in adjacent tradable sectors.

These experiences show that successful diversification relies on sequencing investments. Rather than dispersing investment across many unrelated activities, Saudi Arabia can concentrate on sectors where early scale creates transferable capabilities that support movement up technology ladders. Export exposure in these anchor sectors can reinforce learning, raise quality standards and accelerate the emergence of globally competitive firms, allowing adjacent industries to scale more quickly and with lower risk.



**As fiscal conditions become more constrained, the composition of investment matters more than its volume.** The focus shifts toward strengthening the foundations of sustainable diversification, including skills development, supply chain depth and competitive industrial capacity. As these foundations take hold and private investment expands, the sensitivity of non-oil growth to oil prices should ease over time.

**Shifting the growth model in this direction has implications for investment priorities.**

When activity is driven mainly by domestic demand and public spending, capital often flows towards sectors that deliver rapid short-term gains but limited sustained capability. For example, construction can lift growth quickly, but its impact fades once projects end and skills do not easily transfer to higher-value tradable sectors. Similarly, activities reliant on episodic demand may lift growth temporarily but rarely sustain momentum unless they support firms to scale, move up value chains and build local supply networks. For example, large scale events can stimulate services and visibility, but their longer-term value depends on whether they build capabilities in areas such as logistics, creative industries, technology or international business services.

**This means using public resources with greater selectivity.** Public resources are most effective when they provide additionality: reducing early-stage risks, enabling shared infrastructure or setting the conditions that allow private investors to participate with confidence. As sectors mature, sustained progress depends increasingly on private firms expanding on commercial terms, investing in technology and competing in external markets.

**Investment choices within supply chains matter.** Upstream activities that provide essential inputs to many sectors can influence productivity and competitiveness across the economy. Materials, chemicals and digital platforms shape downstream costs and quality, while machinery and equipment manufacturing stimulates demand for components, specialised services and technical capabilities.<sup>7</sup> Where these linkages are dense, learning and spillovers tend to be stronger.

International experience underscores the importance of such connected ecosystems. Korea's industrial development shows how upstream capabilities in steel and chemicals supported shipbuilding and automotive manufacturing. Network-based research finds that improvements in upstream sectors propagate through production networks and influence economy-wide productivity, highlighting the role of capital goods producers in diffusing embodied technology.<sup>8</sup> These dynamics suggest that linked ecosystems are an important condition for durable diversification in Saudi Arabia.



**This points to an approach that prioritises export potential, capability formation, domestic value creation, skill intensity and disciplined public private risk sharing.**

The growth framework in the next section sets out practical tests to apply these criteria consistently when assessing sectors and investment opportunities.

# 03 Our growth framework

Our framework helps decision makers assess which sectors or investments can strengthen the non-oil economy and reduce exposure to oil cycles. It brings together the factors that matter most for long-term competitiveness: export potential, capability development, value creation, skills, private investment and resilience.

Many elements of this framework are already visible in Saudi Arabia's diversification agenda. Initiatives launched under Vision 2030 increasingly reflect a shift from expanding activity in aggregate toward building export capability, industrial depth, and private sector scale. The framework therefore formalises and sharpens an approach that is already taking shape, providing a more consistent basis for prioritising future investment as fiscal conditions tighten.

Each pillar within the framework includes a set of key tests, which are practical questions that allow policymakers to evaluate investments in a consistent and evidence-based way. These tests are designed to be applied early in the decision-making process to judge whether an opportunity is likely to deliver sustained diversification, attract private capital and build capabilities that support productivity and exports.



**Strengthen exportability and tradable competitiveness**



**Build structural depth and learning potential**



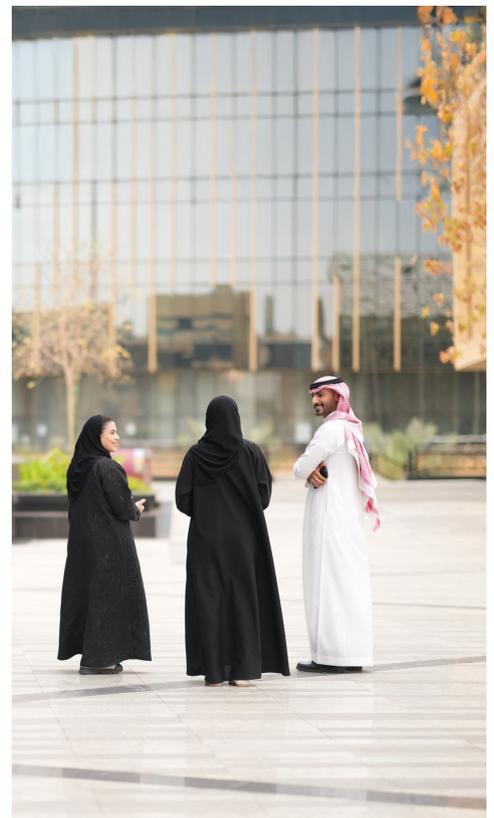
**Maximise domestic value creation and supply chain integration**



**Upgrade skills and employment quality**



**Scale private investment and direct public resources where they add value**



## 3.1 Strengthen exportability and tradable competitiveness

Domestic demand alone cannot sustain the scale, productivity, and continuous improvement required for long-term competitiveness. Where activity is anchored primarily in local consumption or public spending, such as localised retail or non-tradable construction services, performance remains exposed to fiscal conditions shaped by oil prices. Export-oriented sectors, by contrast, are disciplined by external markets, global standards and international competition.

Saudi Arabia has increasingly directed investment toward tradable sectors with clear export pathways. In automotive manufacturing, Ceer and Lucid are being developed with regional and international sales in mind, alongside efforts to localise components, build testing and quality capabilities and integrate Saudi suppliers into global automotive supply chains. In metals and materials, Ma'aden's downstream aluminium and phosphate strategy is explicitly linked to global industrial demand, extending beyond raw materials into processed and semi-finished products serving export markets.

Logistics reforms reinforce this export orientation through targeted investment in multimodal trade infrastructure. Capacity expansions at Jeddah Islamic Port, King Abdulaziz Port in Dammam, and King Abdullah Port are aimed at positioning Saudi Arabia as a regional trade and re-export hub linking sea, air, road and rail networks. In parallel, the development of Oxagon port at NEOM supports export-oriented industrial and renewable energy value chains, while new inland logistics zones in Riyadh and Dammam strengthen connectivity between production centres and global markets. These investments also support international tourism, with expanded air connectivity and integrated transport infrastructure enabling destinations such as the Red Sea and Diriyah to attract foreign demand and generate foreign exchange.

These examples highlight the importance of anchoring growth in sectors that face external demand, global standards, and competitive pressure. The following tests assess whether an investment can realistically compete in export markets and sustain scale beyond domestic demand.



### Key tests

- Does the sector have identifiable export markets with sustainable demand trends?
- Can Saudi firms build cost, quality or reliability advantages within a realistic timeframe?
- Can producers meet the standards and regulatory requirements of target markets, and are the supporting systems in place to help them do so?
- How dependent is the sector on global oil demand, and would movements in oil prices weaken or strengthen its competitiveness?



### Case study: Singapore's services-led export diversification built on logistics and openness

Singapore used its location and regulatory environment to build world-class logistics, which in turn attracted manufacturing, finance and ICT firms. Export-oriented services became an anchor for investment and skills formation. The city state's diversification relied on disciplined capability accumulation in sectors that benefit from scale and integration into global supply chains. Its foreign exchange position improved as non-oil exports expanded across goods and high-value services, reducing exposure to external shocks.

## 3.2 Build structural depth and learning potential

Sectors that generate knowledge spillovers help raise productivity across the economy. As firms improve their processes, adopt new technologies and gain experience, these capabilities spread to suppliers and neighbouring sectors. This creates a foundation for innovation, cost reduction and long-term competitiveness. Priority should be given to activities where firms can build transferable technological and operational capabilities, not just create jobs.

Several national initiatives reflect an emphasis on learning and capability accumulation. In aerospace and defence, localisation programmes linked to GAMI and SAMI increasingly prioritise engineering, systems integration, and lifecycle services rather than final assembly alone. In the digital economy, investments in hyperscale data centres, cloud services, and AI platforms supported by SDAIA and the National Data Management Office are creating horizontal capabilities that raise productivity across finance, logistics, manufacturing, and government services.

Large-scale renewable projects under the National Renewable Energy Program (NREP) and hydrogen initiatives such as NEOM Green Hydrogen Company are building expertise in power electronics, systems integration, and industrial-scale project delivery. These capabilities are also relevant for grid modernisation and complex industrial installations. Similarly, the adoption of industrial automation and robotics across manufacturing zones is shifting manufacturing toward software-driven production, requiring skills in control systems, data monitoring and systems integration rather than manual operation alone.

Such initiatives show how capability accumulation and learning can be embedded into sector development rather than treated as a byproduct. The tests below examine whether a sector can generate transferable skills, technology spillovers, and sustained productivity gains.



### Key tests

- Is it characterised by a steep learning curve (declining unit costs with experience)?
- Does it develop transferable skills or technology platforms applicable to multiple industries?
- Is there realistic potential to build or attract functions such as design, engineering, software development or R&D instead of limiting activity to routine operations?



### Case study: Taiwan's ICT and semiconductor development

Taiwan's rise as a global hub for ICT and semiconductors illustrates the importance of knowledge spillovers. Early investment in electronics assembly created a base of technical skills and supplier networks. The government encouraged firms to move into design, fabrication and advanced engineering by supporting research institutes, talent programmes and industry partnerships. The capabilities that emerged in semiconductor manufacturing spread into equipment manufacturing, precision tooling, software, digital services and advanced components. These spillovers shaped an export-oriented ecosystem with high productivity and strong innovation.

### 3.3 Maximise domestic value creation and supply chain integration

Diversification delivers stronger and more durable impact when a meaningful share of value is created within the domestic economy. Relying on turnkey imports with minimal local sourcing or skills transfer delivers limited domestic impact. For example, large projects built entirely by foreign engineering, procurement and construction (EPC) contractors with no supplier development programmes leave few capabilities behind and limit SME participation to low-value subcontracting.

Sectors with the potential to build local supplier bases, deepen industrial ecosystems and expand the role of domestic firms generate broader economic benefits. Over time, this supports productivity, strengthens resilience and reduces import dependence. Investment decisions should therefore favour activities that can anchor local supply chains and create opportunities for SMEs and specialised service providers.

Saudi Arabia has made progress in this direction through structured localisation efforts. Programmes such as Saudi Aramco's IKTVA (In-Kingdom Total Value Add), SABIC's NUSANED, and sector-specific localisation mandates increasingly focus on upstream components, specialised services, and technical inputs rather than headline procurement targets.

Progress in localisation and supplier development underscores that diversification is stronger when value is created within domestic supply chains. The following tests consider whether investment can deepen local ecosystems and expand domestic value capture over time.



#### Key tests

- What proportion of inputs, components and advanced services can be sourced locally within a reasonable timeframe?
- Do FDI commitments include clear plans for supplier development, technology transfer and capability building within the domestic economy?
- Can SMEs participate in more than basic subcontracting and gradually move into higher-value activities?
- Is there a realistic path for domestic firms to increase their share of value capture as the sector scales?



#### Case study: Norway's maritime and offshore supply chains

Norway's maritime and offshore industries illustrate how strong local ecosystems create lasting economic value. Investment in shipbuilding and offshore engineering stimulated the growth of domestic suppliers in equipment manufacturing, specialised services, subsea technology and maintenance. These firms developed capabilities that later supported the expansion of renewable offshore technologies and advanced maritime services. The breadth of the supplier network strengthened resilience and allowed Norway to capture a significant share of value from global demand, even as the energy landscape evolved.

## 3.4 Upgrade skills and employment quality

A more productive and resilient non-oil economy depends on a workforce equipped with technical, digital and managerial capabilities. Sectors that are built mainly around routine manual tasks, such as basic hospitality, low-skill site labour or manual warehousing rely heavily on transient workforces and offer limited progression into technical or professional roles, leaving workers more exposed to automation and reducing the long-term development of domestic talent. Conversely, investments that create stable, skilled roles support long-term wage growth, improve firm performance and strengthen competitiveness.

Advanced manufacturing, energy and automation projects in the Kingdom are generating demand for engineers, technicians, and quality specialists. Initiatives such as HUMAIN are aimed at building advanced skills and applied capabilities in areas aligned with emerging technologies, supporting the transition toward higher-quality, knowledge-intensive employment. Growth in cybersecurity, fintech and software development, supported by initiatives such as Fintech Saudi and digital regulation reforms, is expanding high-skill employment aligned with future demand.

The shift toward more technical and knowledge-intensive activity demonstrates how sector choices shape the quality of employment and workforce resilience. The tests below focus on whether investments support durable skills development and long-term labour market outcomes.



### Key tests

- Does the sector create sustainable employment in technical, professional or creative roles?
- Will it deepen national talent pools and reduce dependence on low-wage or transient labour?
- Are the required skills aligned with future labour-market needs, including the impact of AI and automation?
- Is there realistic potential for partnerships with universities, training providers or industry institutes to build sector-specific capabilities?



## 3.5 Scale private investment and direct public resources where they add value

Sustained diversification depends on competitive private firms driving investment, innovation and expansion. Public spending that substitutes for private capital creates dependency and weakens incentives for firms to improve efficiency. For instance, providing long-term operating subsidies or guaranteed demand for commercially viable projects can crowd out private investment rather than crowd it in. As sectors mature, activity should increasingly run on commercial terms without ongoing public support.

Public-private risk sharing is especially important in new or complex sectors, where government co-investment, guarantees or early procurement can help validate demand and lower uncertainty. Examples include early-stage industrial clusters where shared testing facilities or utilities reduce entry barriers for investors and pioneering renewable energy projects where initial government participation can help establish standards and de-risk early investment. Data centre ecosystems may require initial facilitation to address infrastructure constraints. Tourism destinations can benefit from upfront public investment in enabling infrastructure such as transport links, utilities and public realm improvements, which makes large-scale private developments commercially feasible.

Saudi Arabia has increasingly applied this approach. PIF has acted as an anchor investor in sectors such as automotive, tourism, and clean energy, validating demand and crowding in private capital rather than substituting for it. Special economic zones and industrial clusters provide shared infrastructure that lowers entry barriers for manufacturers and service providers.

Experience shows that public capital is most effective when it catalyses private investment rather than replacing it. The following tests assess whether government involvement provides genuine additionality while preserving commercial discipline as sectors mature.



### Key tests

- Does government involvement provide genuine additionality by unlocking private or foreign investment that would not materialise otherwise?
- Is there a clear framework for public-private risk sharing that reduces early-stage uncertainty while keeping long-term commercial risk with firms?
- Can public incentives taper as the sector matures without undermining viability?
- Are firms committing their own capital to capabilities, technology and workforce development?



### Case study: Singapore's targeted use of public investment to catalyse private-led growth

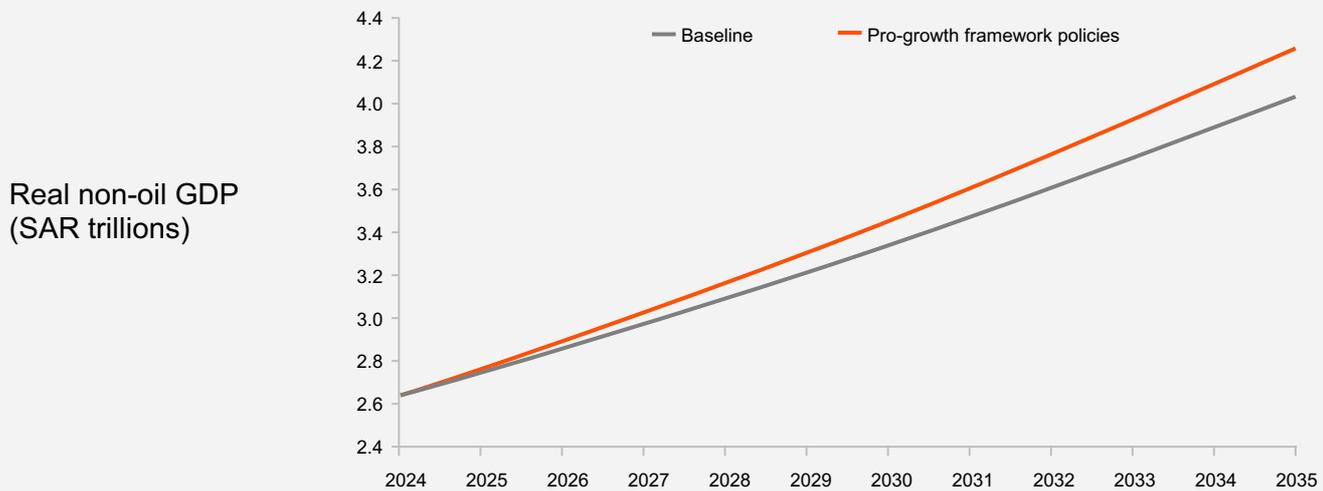
Singapore applied public funding selectively to support early-stage risk sharing and create enabling conditions in logistics, financial services and advanced manufacturing. Early public action focused on port infrastructure, industrial estates and regulatory clarity. Once foundations were in place, private firms invested heavily, bringing technology and operational expertise. Public spending added value by reducing early risk and signalling commitment, while long-term growth was carried by competitive firms operating on commercial terms.

# 04 Potential gains from the growth framework

To illustrate the potential impact of productivity-oriented investment choices, we modelled a scenario aligned with the growth framework. The scenario assumes gradual increases in the knowledge stock through R&D and spillovers, improvements in human capital and deeper integration into global value chains over a ten-year period.

Under assumptions drawn from the literature, the increase in the knowledge stock through these channels could increase total factor productivity by around 10% by 2035, resulting in a boost to non-oil GDP of around 5.5% by 2035. These gains fall within observed international experience and would materially strengthen the resilience of non-oil growth.<sup>9</sup>

Figure 3: Potential gains from the growth framework<sup>10</sup>



While not directly captured in our simulation, the redirection of investment towards activities with higher value addition, which rely on highly skilled labour and which are inclined towards high knowledge spillovers, can support these policies and further enhance productivity gains.

# Conclusion

Saudi Arabia has made decisive progress in expanding non-oil activity and reshaping the structure of the economy under Vision 2030. Non-oil GDP has grown strongly, new sectors have scaled rapidly, and private sector momentum has been sustained even through periods of softer oil prices. These outcomes demonstrate the effectiveness of reform and the catalytic role of public investment in accelerating diversification.

At the same time, non-oil performance remains influenced by oil market conditions, and productivity gains have been limited. As fiscal space tightens, this growth model becomes harder to sustain.

The next phase of diversification therefore requires a shift in emphasis from scale to quality. Capital should be allocated more selectively towards activities that build productive capabilities, generate scalable exports and attract private investment that can sustain growth independently of oil revenues.

The export-oriented growth framework set out in this study provides a concrete basis for this transition. It moves diversification from scale to quality. By anchoring investment decisions in export competitiveness, capability development, domestic value creation, skills upgrading and targeted public-private risk sharing, the framework strengthens productivity and underpins a more resilient and self-sustaining growth model for the Kingdom.



# Annex

To explore the upside potential of the growth framework, we drew on academic literature to develop plausible assumptions on the productivity effects of the following channels:



**Knowledge stock:** the literature widely supports that knowledge accumulation and knowledge spillovers increase productivity. Surveys of innovation–productivity literature indicate that elasticities on total factor productivity with respect to the knowledge stock cluster between 0.02 and 0.08.<sup>11</sup>



**Human capital:** the literature generally indicates positive correlation between both the quantity and quality of human capital and productivity. It has been estimated that a 1% increase in average years of schooling is linked to an increase in total factor productivity of between 0.23 and 0.07 percentage points.<sup>12</sup>



**Supply chain:** while the exact percentage varies by context, total factor productivity improvements from supply chain integration typically range from 3% to 10% in empirical studies. It has been estimated<sup>13</sup> that firms that join multinational supply chains experience 4–9% higher TFP within four years, alongside employment growth and improved managerial practices.

The World Bank's Cross-country Database of Productivity<sup>14</sup> estimates that total factor productivity growth around the world averages 1-2% per year over the long term, with advanced economies experiencing slower growth, typically less than 1% per year.

We modelled<sup>15</sup> the following scenario to simulate an increase in productivity brought about by a hypothetical package of policy measures aligned with the growth framework:

**Increasing knowledge stock:** over ten years, through increased R&D and knowledge spillovers, knowledge stock is increased over 10 years by 5% per year (a conservative assumption compared to forecasts of up to 9%).<sup>16</sup>

**Upgrading skills and human capital:** over ten years, the average number of schooling years increases from the current level of 12.4 to 13.4.<sup>17</sup>

**Improving supply chain linkages:** the proportion of KSA's firms connected to global value chains increases from 30% (the average for middle income economies<sup>18</sup>) to 60% (the average for OECD countries<sup>19</sup>) over ten years.

Based on the findings of the literature, this scenario would generate a gain in total factor productivity of between 0.25% and 1.0% per year, well within the feasible range indicated by the World Bank data, given KSA's recent negative productivity growth.<sup>20</sup> Our modelling shows that under this scenario, policies oriented towards growing KSA's knowledge stock, upgrading human capital and improving supply chain linkages could increase total factor productivity by around 10% by 2035, resulting in a boost to non-oil GDP of around 5.5% by 2035.

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