



KINGDOM OF SAUDI ARABIA VISION 2030 AND SUSTAINABILITY

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OVERVIEW OF VISION 2030

Vision 2030 is Saudi Arabia's roadmap for future economic and developmental action that expresses their long term goals and objectives. It is being used as a basis of identifying the general direction of policies¹.

Vision 2030 has three main themes

- Vibrant Society
- Thriving Economy
- Ambitious Nation

Each of these themes has sub-themes and associated objectives, goals and commitments.

Many of the goals and objectives within Vision 2030 make reference to sustainability, directly and indirectly. The table below outlines these goals and objectives and they will be discussed in further detail.

Theme	Sub-theme	Goal/Objective
Vibrant Society	With Fulfilling Lives	Living Healthy, Being Healthy
		Developing Our Cities
		Achieving Environmental Sustainability
	With Strong Foundations	Caring for Our Families
		Empowering Our Society
Thriving Economy	Investing for the Long Term	Launching Our Promising Sectors
		The Renewable Energy Market
	Open for Business	Increasing the Competitiveness of Our Energy Sector
An Ambitious Nation	Effectively Governed	Protecting Our Vital Resources

ENERGY

EMPOWERING OUR SOCIETY, WITH STRONG FOUNDATIONS, VIBRANT SOCIETY

Through reform of the social welfare system, subsidies for energy will be redirected to those most vulnerable.

This coupled with the Electricity and Cogeneration Authority's recent increase in electricity tariff is likely to increase the desire for energy efficiency. This also increases the viability of renewable energy such as small scale PV, as the pay-back period is reduced. The new net-metering regulation² for small scale PV, that is due to be implemented in July 2018, is likely to incentivise small scale renewables for electricity consumers.

LAUNCHING OUR PROMISING SECTORS, INVESTING IN THE LONG TERM, THRIVING ECONOMY

Support will be provided for the manufacturing, technology and mining sectors to allow them to grow and diversify the economy. The support of the oil and gas sector will continue.

As part of the support provided to further develop the manufacturing sector, there will be a focus on localising the renewable energy sector.

This would increase access to renewable energy technology, therefore diversifying the energy mix while having the added benefit of supporting Saudi industry.

THE RENEWABLE ENERGY MARKET, INVESTING IN THE LONG TERM, THRIVING ECONOMY

The government is committed to an initial target of generating 9.5 GW of renewable energy. This is to diversify the energy mix and meet the increasing demands for energy as the economy grows.

The King Salman Renewable Energy Initiative will be launched to build the expertise of Saudi companies in the field of renewable technology. R&D and manufacturing of renewables in Saudi Arabia will be emphasised.

The legal and regulatory framework will be reviewed and modified to allow the private sector to participate in renewable energy investment.

In addition, the liberalisation of the fuels market will increase the competitiveness of renewable energy.

INCREASING THE COMPETITIVENESS OF OUR ENERGY SECTOR, OPEN FOR BUSINESS, THRIVING ECONOMY

The government understands that the provision of energy subsidies without any eligibility criteria is a barrier to the energy sector's competitiveness. In the long run, free market prices will increase the competitiveness and productivity of the utility companies. As such, there is a plan to set clear subsidy eligibility criteria which protects promising sectors while building the competitiveness of the utility sector.

WATER

ACHIEVING ENVIRONMENTAL SUSTAINABILITY, WITH FULFILLING LIVES, VIBRANT SOCIETY

The government wants to promote optimal use of water resources. This will be done by reducing consumption and the use of treated and renewable resources.

While several of the previous increases in water tariffs have excluded residential homes, this could change. If so, this creates a financial incentive to increase water efficiency. Depending on how this is implemented, this could also create opportunities for the use of treated water for landscape purposes. This may be relevant for larger residential projects or communities.

DEVELOPING OUR CITIES, WITH FULFILLING LIVES, VIBRANT SOCIETY

The government would like to further develop open and landscaped areas for recreational purposes. This could increase the amount of water needed for the landscaped areas. Alternative sources of water could be used.

EMPOWERING OUR SOCIETY, WITH STRONG FOUNDATIONS, VIBRANT SOCIETY

Through reform of the social welfare system, subsidies for water will be redirected to those most vulnerable. Depending on how much of an impact this has on the tariff, this can create a financial incentive to increase water efficiency.

In order to increase acceptance of any tariff increase, it is likely that there will be awareness initiatives. Such initiatives may now be more effective due to the financial incentive from the changed tariff. This is likely to also increase awareness of water efficiency measures and gives the market an opportunity to meet a potential increase in demand of water efficient fittings and fixtures.

This can also have an impact on landscaping choices, specifically in individual homes.

Overall, the impact should be felt on indoor and outdoor water use.

PROTECTING OUR VITAL RESOURCES, EFFECTIVELY GOVERNED, AN AMBITIOUS NATION

In areas of the nation that have a comparative advantage in agriculture due to natural and renewable water resources, the use of water for agricultural purposes will be given priority. Additionally, there will be collaboration with consumers to reduce wastage.

While this does not directly affect residential water consumption, this priority could mean that there is an impact on the tariff in areas that typically have fairly plentiful access to water. This can build the case for an increased desire in water efficiency measures. It can also build the case for continued maintenance as awareness of reducing water leaks through actions such as inspections is increase.

WASTE

ACHIEVING ENVIRONMENTAL SUSTAINABILITY, WITH FULFILLING LIVES, VIBRANT SOCIETY

Part of this objective aims is to develop the waste management sector by increasing its efficiency. Comprehensive recycling projects will also be established. These initiatives should increase landfill diversion.

These initiatives will have an impact on municipal solid waste management as well as construction waste management. Depending on the type of recycling projects, this could provide opportunities for the use of recycled materials in construction. Potentially if recycling projects collaborate with the manufacturing and industrial sector, this can provide an opportunity for recycled content in construction materials.

Depending on how the waste management sector is developed, there is the possibility of developing a waste-to-energy sector which would further diversify the energy mix.

HUMAN HEALTH/ACTIVITY

LIVING HEALTHY, BEING HEALTHY, WITH FULFILLING LIVES, VIBRANT SOCIETY

The government aims to encourage widespread participation in sports and athletic activities. They would like to work with the private sector to develop dedicated facilities and programs. Specifically, the government would like to increase the ratio of individuals exercising once a week from 13% to 40%. In the long run this should reduce the incidence of chronic illnesses such as diabetes and obesity³ and therefore alleviate some stress on the healthcare system.

For communities, larger compounds and larger mixed use developments, this could change the elements that are incorporated. For example, there can be an emphasis on ensuring there are outdoor playing fields or indoor gymnasiums. This can have an impact on energy and water consumption.

It may also have an impact on the types of amenities that are located in and around residential areas.

Additionally, if part of the efforts to encourage participation in active lifestyles includes bicycle lanes or bike sharing schemes, this can also impact the types of transportation used which in turn has an impact on pollution and emissions.

DEVELOPING OUR CITIES, WITH FULFILLING LIVES, VIBRANT SOCIETY

The government would like to further develop open and landscapes areas for recreational purposes. This should increase outdoor activity which will lead to a healthier population.

ACHIEVING ENVIRONMENTAL SUSTAINABILITY, WITH FULFILLING LIVES, VIBRANT SOCIETY

The government would like to make efforts to protect and rehabilitate beaches, nature reserves and islands and make them open to the public. This would increase the public's awareness of the country's natural assets.

Such conservation activities can encourage outdoor activity, especially in the cooler months. Such activity can improve physical and mental health because of biophilia.

HEALTH (MINIMISING SICKNESS)

ACHIEVING ENVIRONMENTAL SUSTAINABILITY, WITH FULFILLING LIVES, VIBRANT SOCIETY

Part of this objective is to reduce pollution and desertification. This should improve outdoor air quality thereby reducing the incidence of respiratory illnesses⁴.

CARING FOR OUR HEALTH, WITH STRONG FOUNDATIONS, VIBRANT SOCIETY

The public sector will increase their focus on promoting preventative care and reducing infectious diseases. The focus on preventative care should minimise sickness in the long run.

HOUSING RELATED

CARING FOR OUR FAMILIES, WITH STRONG FOUNDATIONS, VIBRANT SOCIETY

The government would like to increase home ownership by 5% by 2020. They aim to achieve this by encouraging the private sector to build, providing mortgage solutions and funding and ownership schemes.

Given the timing of this goal and the desire to involve the private sector, this should be kept in mind when thinking about the ASAS roll-out plan.

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