

SAUDI ARABIA A NEW GLOBAL HUB FOR GENERAL AVIATION







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FOREWORD

Under the wise leadership and guidance of the Custodian of the Two Holy Mosques and His Royal Highness the Crown Prince, Saudi Arabia's civil aviation has achieved remarkable growth and record-breaking milestones on a local, regional and international scale.

In line with Vision 2030 and the Saudi Aviation Strategy (SAS) goals, civil aviation has become a leading sector driving transformation across the national economy, attracting unique investment opportunities and world-class entities to the Kingdom.

As we work towards realizing these goals, it is critical we also prioritize the development of the general aviation industry in the Kingdom, which plays a vital role in supporting business activity, promoting connectivity, and advancing innovation.

This reflects the growing importance of general aviation in facilitating commerce and economic growth.

In parallel, we have witnessed remarkable technological advancements in the general aviation domain.

The emergence of ultra-long-range aircraft has expanded the reach and flexibility of private and corporate air travel.

Moreover, the industry's increasing focus on new business models and membership-driven initiatives are tipping the scales for operators and providers through new opportunities for growth, now more than ever.

As we chart the course for the General Authority of Civil Aviation's (GACA) General Aviation Roadmap (GAR), we must harness these key trends to unlock the full potential of this sector.

By establishing solid foundations, enhancing connectivity and promoting sustainability, we will progress Saudi Arabia's position as a global general aviation hub and support the realization of Vision 2030.

I am confident that this roadmap will serve as a robust framework to guide the development of general aviation in the Kingdom, reinforcing our commitment to a prosperous and sustainable aviation ecosystem.

I look forward to making this roadmap a reality and delivering an elite experience for general aviation passengers, in partnership with investors, operators and service providers.

HE Abdulaziz bin Abdullah Al-Duailej

President of GACA



INTRODUCTION

Why Saudi Arabia will become a global hub for general aviation

Saudi Arabia is transforming; with the country's Vision 2030 blueprint driving unprecedented economic growth and opportunity across every sector of the economy.

Vision 2030 is driving the change in demand for travel services, through both inbound tourism and an increase in domestic demand.

The Saudi Aviation Strategy (SAS), approved by the Council of Ministers in 2020, is the Kingdom's coordinated blueprint for transforming the aviation sector to meet this demand and deliver a world-class passenger experience.

SAUDI ARABIA – GROWTH DRIVERS

HIGH TOURISM GROWTH PROSPECTS

KSA has ambitious tourism targets towards 2030, mainly driven by mega developments

X2.5 Number of tourism visitors

EXTENSIVE AREA FOR AIRPORT NETWORK DEVELOPMENT

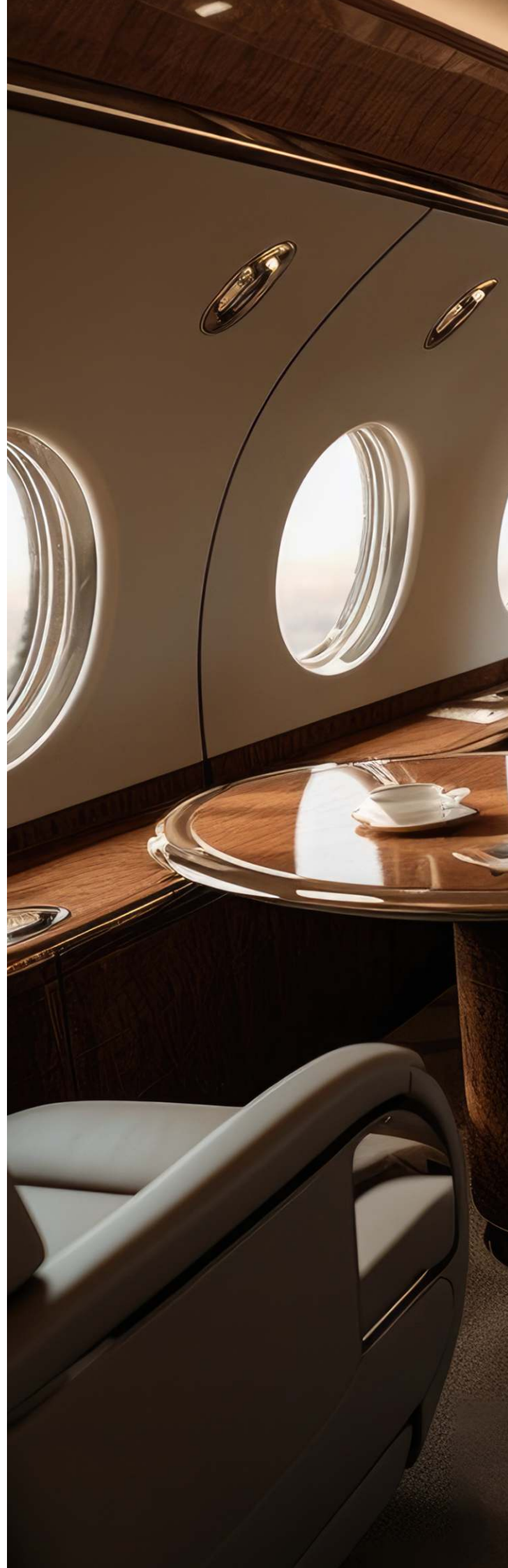
KSA is one of the countries with the largest areas, with potential to extend current network of airports (29)

#8 Country by area with 2.15M km²

STRONG FINANCIAL COMMITMENT

Strong financial commitment to achieve KSA's Vision 2030 and Tourism and Aviation strategy

SAR 365 bn expected investment in the aviation sector by 2030





GENERAL AVIATION GROWTH OPPORTUNITIES



BUSINESS JETS

Demand from high net-worth individuals, events and businesses - providing accessibility and convenience beyond commercial airlines.



TURBOPROPS

Demand for tourism destinations, providing low-altitude and short-distance travel to smaller airfields (e.g. island hopping).



HELICOPTERS

Demand for unique tourism destinations and for emergency management services and oil and gas sectors to access remote locations.



PISTON FIXED WINGS

Demand for recreational activities supported by Vision 2030 and increased demand for pilot training to meet Saudi Arabia's broader human capital requirements.



ULTRA LIGHT

Tourism demand for recreational services (e.g. hot air ballooning).

EXECUTIVE SUMMARY

Saudi Arabia's General Aviation Roadmap

The General Aviation Roadmap (GAR) will significantly enhance the sector's economic impact by expanding its size, contributing to a projected SAR 7.8 billion in total sector GDP and generating over 35,000 jobs within the industry by 2030.

With a target growth of 24 business jets flights per 10,000 inhabitants, the roadmap prioritizes bolstering infrastructure, including the augmentation of terminals, hangarage capacity, and general aviation airports to improve airport connectivity.

Moreover, the framework entails fostering the growth of supply and services by increasing the number of Aircraft Operators (AOs), Fixed Base Operators (FBOs) and Maintenance, Repair, and Overhaul (MRO) players.

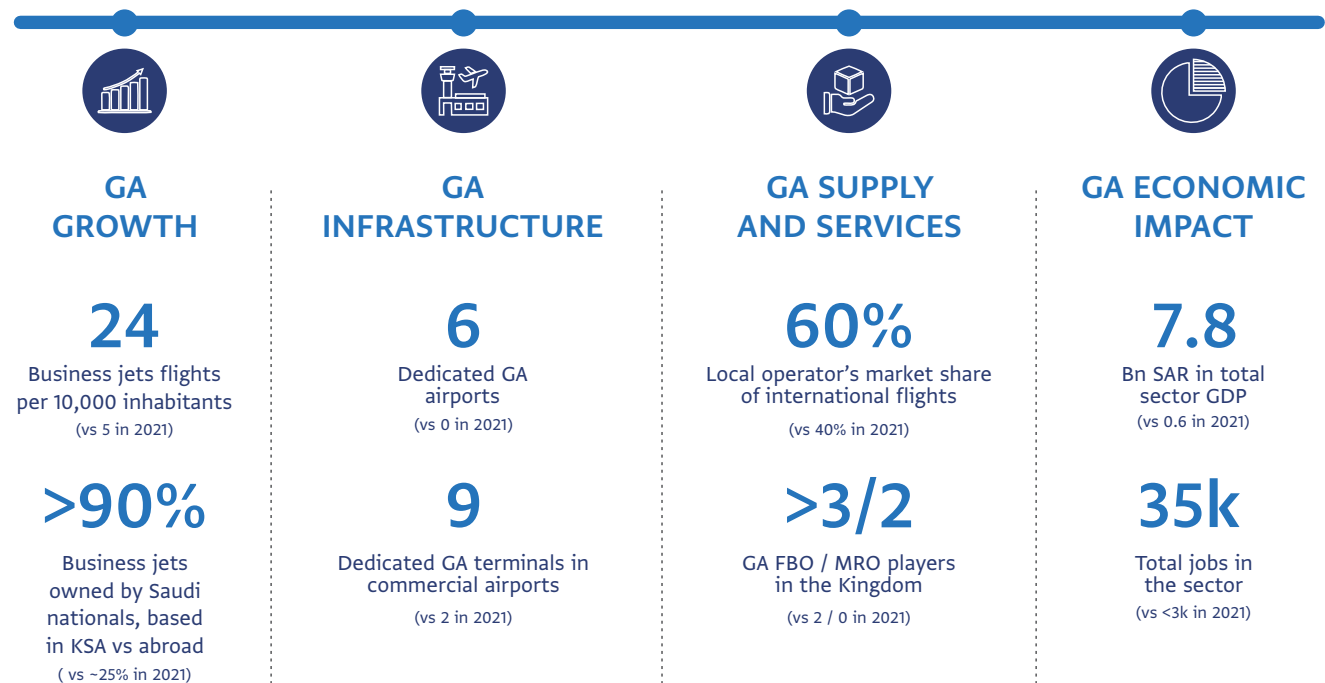
By strategically addressing these key target areas, the General Aviation Roadmap (GAR) is poised to propel the sector forward, stimulating economic growth and employment opportunities and establishing Saudi Arabia as a global hub for general aviation.

AMBITION

Establish Saudi Arabia as a global hub for general aviation

GA sector development plan

Key targets for 2030





ROADMAP PILLARS



BEST IN CLASS GA AIRFIELD NETWORK AND CONNECTIVITY

Enhance GA airfield connectivity by developing 6 dedicated business jet airports and 9 GA terminals in commercial airports
Expand and develop parking and MRO hangarage footprint



COMPETITIVE FBO SERVICES

Enhance FBO competitiveness and service level



SUSTAINABLE A/C OPERATION SUPPLY

Enhance A/C operators' competitiveness



LOCALIZED MRO MARKET SUPPLY

Attract minimum 1-2 OEM affiliated MROs and support independent MRO development



DEVELOPED GA SERVICES

Enhance insurance and financing offering



ENABLERS

- Secure CAPEX
- Introduce world-class GA regulatory framework
- Develop an effective GA sector stakeholder governance
- Enhance customer experience by digitizing end-to-end processes
- Attract and develop the required talent
- Become a frontrunner in innovation and sustainability

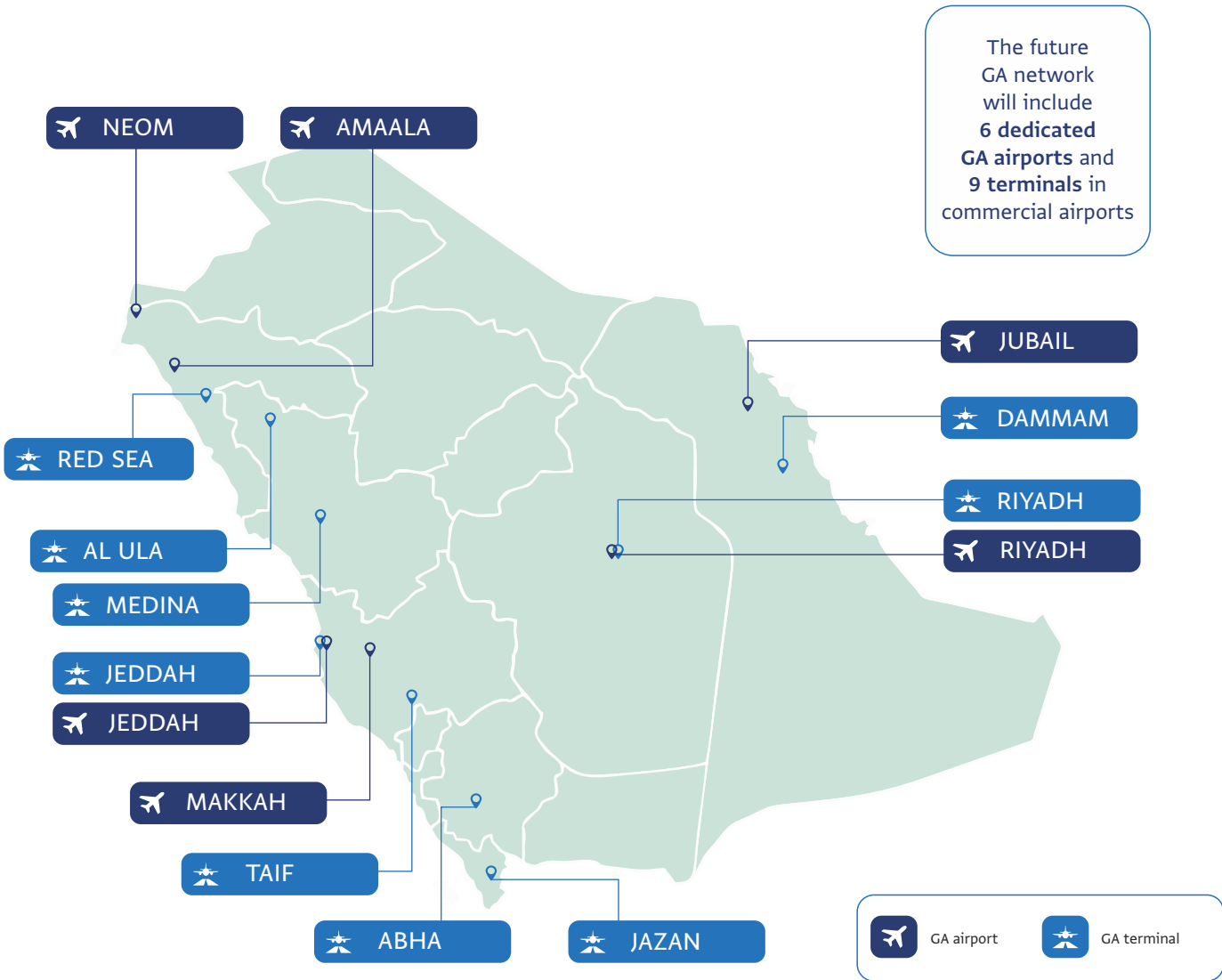
MAKING THE ROADMAP A REALITY

Infrastructure

Infrastructure development will provide the backbone of general aviation sector growth, with six new general aviation airports proposed as part of the roadmap.

In addition, nine general aviation terminals are planned across the Kingdom, which will also cover the two existing terminals at commercial airports, to meet projected demand for general aviation in Saudi Arabia by 2030.

The roadmap will also ensure dedicated parking hangarage capacity in key general aviation locations, which will improve attractiveness for business jet owners as well as the availability and quality of services.





Supply

Enhanced infrastructure will uplift general aviation services across the Kingdom, reducing operating costs for service providers.

In addition, Saudi Arabia will take a multi-pronged approach to encourage supply in the market, involving:

- Promoting service offering for A/C operators, FBOs and MROs across the Kingdom
- Reviewing fees and regulations

Services

A central component of the roadmap is to develop a significant MRO service within the Kingdom, enabling scale and reducing costs for FBOs.

The roadmap also targets attracting several MROs and supporting the development of local MRO capabilities in the general aviation sector.

In addition, Saudi Arabia is encouraging the development of aviation insurance, financing and leasing services within the Kingdom.

Regulations

Underpinning the roadmap is a comprehensive regulatory program led by GACA, designed to reduce barriers to entry and streamline compliance processes for general aviation companies.



Streamlined economic regulations

New economic regulations introduced by GACA in October 2023 removed the empty-leg restrictions to provide more flexibility to general aviation operators, expanding and enhancing the network connectivity to the Kingdom.

In addition, GACA streamlined licensing rules for FBOs and MROs to facilitate new market entrants.



Safety regulations

The roadmap will streamline safety standards, applying proportionate safety regulations to enable sector growth.



VAT removal

Taxation rules have also been changed to address unequal taxation for local versus foreign operators.



Enhancing digital services

GACA is also improving digitalization of processes for operators and consumers.

INVESTMENT OPPORTUNITIES

The GAR presents significant **investment opportunities** as the Kingdom works to diversify its economy and expand its tourism industry.

The projected growth of nearly **5 times the number of business jet flights per capita** will be supported by the development of a network of dedicated general aviation airports and terminals across the country.

Specifically, the development of six new general aviation airports by 2030, located in the key cities of Riyadh, Makkah, Jeddah, NEOM, Amaala, and Jubail, and nine general aviation terminals within commercial airports.

Most immediately, there will be substantial investment opportunities for infrastructure funds, airport operators, A/C operators, FBOs and MROs, which will be key to ensure the sector's development and in turn create a level playing field for investors, both locally and internationally.

Over the longer term, the ownership, operation, and management of these facilities will create openings for **airport operators, FBOs, and other aviation services**.

To facilitate this growth, the roadmap emphasizes the need for enhanced insurance and financing offerings, given the market's potential and the region's ongoing demand for business and leisure travels.

This represents an opportunity for **financial institutions, leasing firms, and specialty insurance providers** to develop innovative products and services catered to private, business, and recreational aviation clients in Saudi Arabia.

The scale of the planned infrastructure development and service expansions creates diverse and compelling investment opportunities across airport operations, A/C operations, FBOs, MROs, and ancillary services.

Pioneering investors who position themselves to capitalize on this growth can expect to reap substantial rewards in the years ahead.

HOW TO REACH US

GACA is the lead entity responsible for overseeing the implementation of this roadmap, and enabling domestic and global promotion of general aviation roadmap opportunities.

GACA has established a dedicated general aviation unit to support engagement with the industry and facilitate the opportunities created by this roadmap.

Contact our team to learn more about the opportunities created by this roadmap on: GeneralAviation@gaca.gov.sa

