

## Bold Saudi tourism targets

- A Monitor Desk Report

Date: 14 October, 2021



Saudi Arabia is out to power its Olympic-sized tourism ambitions from airline expansion to major infrastructure development.

As part of its Vision-2030 that aims to diversify the economy to ready for a post-oil future, the government is pumping billions of dollars into tourism projects. Spearheaded by Crown Prince Mohammed bin Salman, the plan targets 100-million annual tourist arrivals by 2030 and a 10-per cent contribution to the sheikhdom's GDP, up from around three per cent.

In late June, the Crown Prince who is also chairman of the Higher Committee for Transport and Logistics announced plans to establish a second national airline as part of the National Transport and Logistics Strategy to transform the Kingdom into a global logistics centre as well as position Saudi Arabia in fifth place in terms of global air passenger traffic, and boost its air network to 250 destinations. While Saudia, the current national airline, mainly caters to the domestic passenger flow, the new airline is expected to attract international travellers entering or transiting through the country. Plans are also underway for a new airport to be built in the capital, Riyadh.

Saudi Arabia, home to Mecca and Medina, Islam's two holiest cities, has always been

strong in religious tourism. In 2019, the Kingdom hosted 9.5 million pilgrims. According to master plan created by The Red Sea Development Company, upon completion in 2030, the Red Sea Project will offer around 8,000 hotel rooms, alongside more than 1,000 residential properties across 22 island resorts, mountain retreats and desert hideaways. The Red Sea Project is being positioned as a high-end tourism destination with luxury marinas and accommodation, golf courses, posh restaurants and entertainment facilities.

Yet another mega project that has PIF's backing is the Qiddiya entertainment city, which will be located on the doorstep of Riyadh and is set to become Saudi Arabia's capital of entertainment, sports and the arts.

Spanning 366km<sup>3</sup>, the city will host a Formula 1 racing track, a Six Flags theme park, a water park, and sports facilities such as football stadiums, among others. Besides, Pauline Suharno, director of Elok Tour in Indonesia and president of the Indonesian Travel Agents Association, shared: "With Saudi Arabia government's initiatives to attract leisure travellers, it gives our tour operators more opportunities to sell Umrah packages to Indonesian pilgrims. So far, local agents are selling Umrah packages to Turkey and Europe."