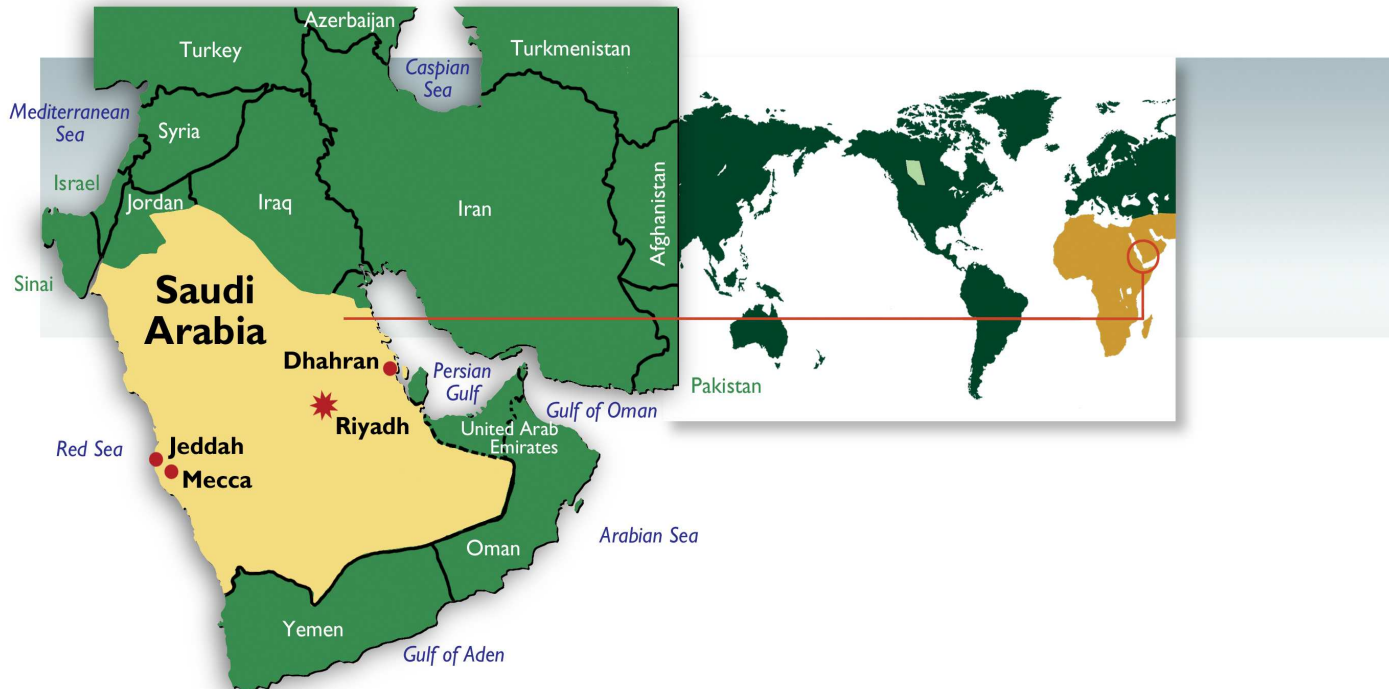


Saudi Arabia - Alberta Relations

International and Intergovernmental Relations

Alberta



PROFILE

Capital: Riyadh (royal capital), Jeddah (administrative capital)

Population: 24.3 million (2007 est.)

Language: Arabic

Government: Monarchy

Head of State/ Government: King Abdullah bin Abdel-Aziz al-Saud

Crown Prince: Prince Sultan bin Abdel-Aziz al-Saud

Currency: \$1CDN = 3.79 Saudi Arabia Riyals (May 2008)

GDP: US\$373.6 billion (2007 est.)

GDP (PPP): US\$561.2 billion (2007 est.)

GDP Per Capita (PPP): US\$23,100 (2007 est.)

GDP growth rate: 3.5% (2007 est.)

Inflation: 4.1% (2007 est.)

Unemployment: 12% (2007 est.)

Key Industry Sectors: crude oil production, petroleum refining, basic petrochemicals, cement, construction, fertilizers, plastics.

COMMUNITY

- While there are very few Albertans of Saudi descent, there are 38,000 of Arab origin.
- CKER-FM broadcasts across Alberta in many different languages, including Arabic.

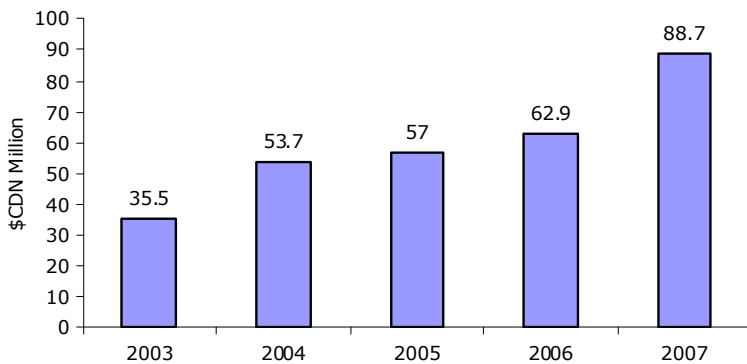
SAUDI ARABIA OVERVIEW

- Saudi Arabia's population is among the youngest and fastest growing in the Middle East.
- Saudi Arabia became a member of the World Trade Organization (WTO) in December 2005.
- Since 2003, Saudi Arabia is part of a customs union amongst countries member of the Cooperation Council for the Arab States of the Gulf (GCC). A common currency among those states should be implemented by 2010.
- With oil export revenues making up 90% of Saudi exports and government revenues and 40% of the country's GDP, Saudi Arabia's economy is heavily dependent on oil, despite attempts at diversification.

RELATIONSHIP OVERVIEW

- Saudi Arabia-Alberta relations were established in the mid-1970s when Premier Lougheed visited Riyadh and established close ties to former Saudi Energy Minister Sheikh Yamani.
- In 1999, the Saudi-Canada Business Council was formed in order to promote business partnerships and two-way trade.
- Alberta and Saudi Arabia share common interests in several sectors including oil production and development, and global energy trends.
- Numerous Alberta firms have participated in missions to Saudi Arabia to exchange information about technology, oil and gas, and engineering.
- There are several hundred Alberta companies actively exporting to Saudi Arabia.
- Albertans comprise a large portion of the estimated 8,000 Canadians working in Saudi Arabia, particularly in the health, education and oil & gas sectors.

Alberta's Merchandise Exports to Saudi Arabia (2003-2007)



TRADE AND INVESTMENT

- Over the past five years, Alberta exports to Saudi Arabia have averaged \$59.6 million per annum, including barley, machinery and electrical machinery, measuring instruments, electrical parts, potatoes, and oil and gas equipment.
- Over the past five years, Alberta's imports from Saudi Arabia averaged \$11.3 million per year, including sodium, and polyester.

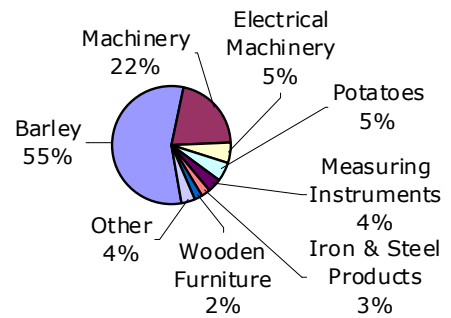
ENERGY

- Saudi Arabia plays a leading role in OPEC, as it has the largest petroleum reserves in the world (262.3 billion barrel [bbl] vs. Alberta's 175 billion), which is 21% of the world's proven reserves.
- Saudi Arabia is the world's largest oil producer (8.8 million bbl/d vs. Alberta's 1.7 million bbl/d) and the largest exporter with revenues of US\$204 billion in 2007.
- Proven natural gas reserves were estimated at 240 trillion cubic feet (Tcf) in 2007, ranking 4th in the world (vs Alberta's 41 Tcf).
- In 2001, Saudi Arabia reopened its upstream hydrocarbons sector to foreign investment.

EMERGING OPPORTUNITIES

- Alberta International Marketing Strategy* has identified Saudi Arabia as a priority market in architecture, engineering and construction, and industrial machinery and equipment.
- Electrical Power Equipment:** prospects exist for Alberta companies interested in selling components and parts to local power utilities.

Alberta's Merchandise Exports to Saudi Arabia (2007)



Oil and gas equipment and services:

opportunities exist for products and services such as tubular goods, valves compressors, pumps, chemicals, turbines, drilling rigs and parts, generators, computers and software, telecommunication equipment, instrumentation and industrial process controls, fire fighting and safety equipment, spare parts, supplies and equipment for refineries, storage monitoring systems, reactors, heaters, air exchangers, power distribution, systems, boilers, gas-oil desulfurizers and isomerisation units. There is also a definite place for all aspects of sour gas technology and safety to make inroads over the next 5 years.

- SAIT-Arabia is a joint-venture with Al-Hejailan Consultants to provide training services in Saudi Arabia in petroleum sector, starting in 2008.
- In 2005-06, some 1100 students enrolled in locally developed Arabic language programs in Alberta schools. In addition to the 501 students in Edmonton's Arabic bilingual program, more than 500 students in Alberta were enrolled in locally developed Arabic Language and Culture courses.
- In 2004, NAIT secured a license from local authorities giving it the necessary legal status to operate a gas pipeline training institute.

EDUCATION

- The University of Calgary signed Memorandums of Understanding (MOU) with Saudi Arabia's King Fahad University of Petroleum and Minerals, King Faisal University, King Saud University, and the Ministry of Higher Education.
- The University of Alberta signed an MOU with Saudi Arabia's King Saud University, King Fahad University of Petroleum and Minerals, Saudi Arabian Cultural Mission, and the Ministry of Higher Education.
- Advanced Education's Apprenticeship and Industry Training (AIT) division, the Northern and Southern Alberta Institutes of Technology (NAIT and SAIT) presented the Alberta model for vocational training to the Saudi General Organization for Technical Education and Vocational Training (GOVTET).
- In 2007, 20 senior Saudi Higher Education officials and 56 instructors from Saudi colleges visited Alberta for 10 weeks of training with SAIT.

RECENT VISITS

- November 2001: Official visit of His Excellency, Dr. M. Al-Hussaini, Ambassador of Saudi Arabia. The Ambassador visited in 1999 as part of a Saudi education delegation.
- June 1999: Saudi Arabian Minister of Higher Education Dr. Khalid Al-Anqari and a delegation of 28 Senior Higher Education officials visited Alberta to sign MOUs with Alberta institutions.
- March 1999: A delegation from the Saudi Ministry of Education, led by the Deputy Minister Dr. Abdullah H. Al-Fouzan, visited Alberta.

DIPLOMATIC REPRESENTATION

- Saudi Arabia's Chargé d'Affaires to Canada is Mr. Abdullah Saleh A. Al Awwad.
- Canada's Ambassador to the Kingdom of Saudi Arabia is Mr. Ron Davidson.
- Canada's Honorary Consul in Djeddah is Sheik Mohamed M. Attar