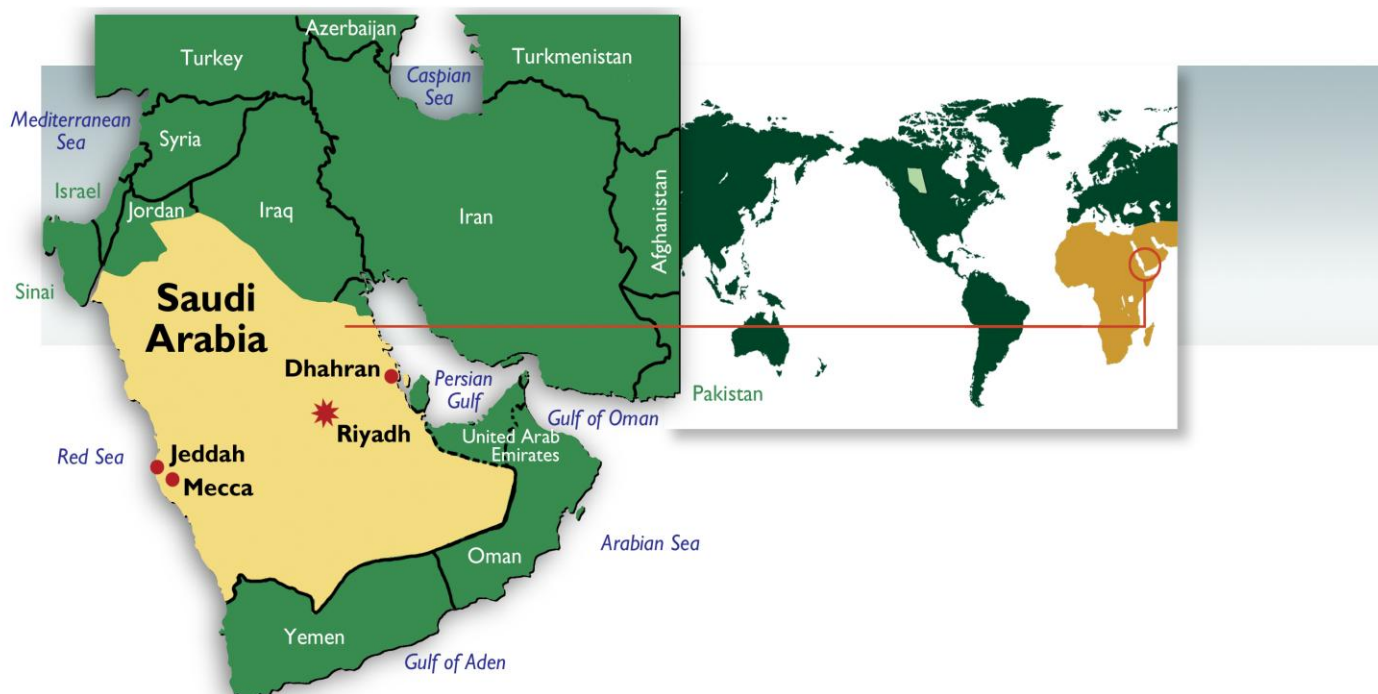


Saudi Arabia – Alberta Relations

Government
of Alberta



This map is a generalized illustration only and is not intended to be used for reference purposes. The representation of political boundaries does not necessarily reflect the position of the Government of Alberta on international issues of recognition, sovereignty or jurisdiction.

PROFILE

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

Population: 27.1 million (2010 est.)

Language: Arabic

Government: Monarchy

Head of State and Government: King and Prime Minister ABDALLAH bin Abd al-Aziz Al Saud (since August 1, 2005)

Crown Prince: SULTAN bin Abd al-Aziz Al Saud

Currency: \$1 CDN = 3.63 Riyal (SAR) (2010)

GDP: US \$434.7 billion (2010)

GDP (PPP): US \$619.3 billion (2010 est.)

GDP Per Capita (PPP): US \$22,820 (2010 est.)

GDP growth rate: 3.3% (2010)

Inflation: 5.4% (2010)

Unemployment: 10.5% (2010 est.)

Key Industry Sectors: Crude oil production, petroleum refining, basic petrochemicals, ammonia, industrial gases, sodium hydroxide (caustic soda), cement, fertilizer, plastics, metals, commercial ship repair, commercial aircraft repair and construction.

SAUDI ARABIA OVERVIEW

- Saudi Arabia's population is among the youngest and fastest growing in the Middle East.
- Since 2003, Saudi Arabia is part of a customs union amongst member countries of the Cooperation Council for the Arab States of the Gulf (GCC).
- Saudi Arabia became a member of the World Trade Organization (WTO) in December 2005.
- 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

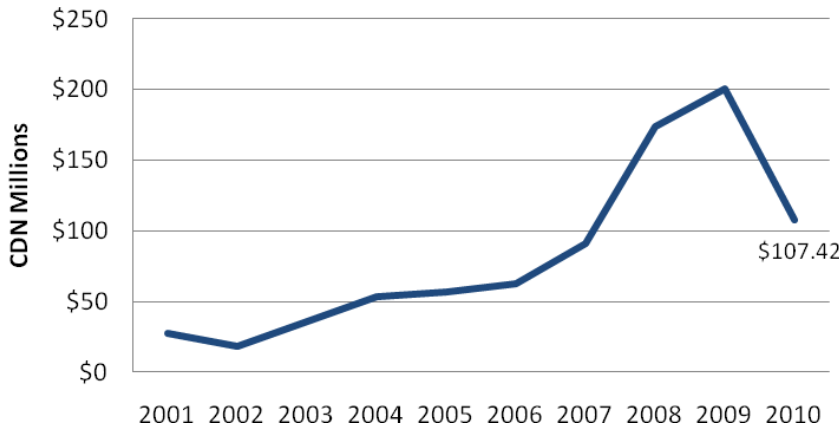
- Saudi Arabia-Alberta relations were established in the mid-1970s when Premier Lougheed visited Riyadh and established close ties to former Saudi Energy Minister Sheikh Yamani.
- In 1999, the Saudi-Canada Business Council was formed in order to promote business partnerships and two-way trade.
- Alberta 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 and gas sectors.

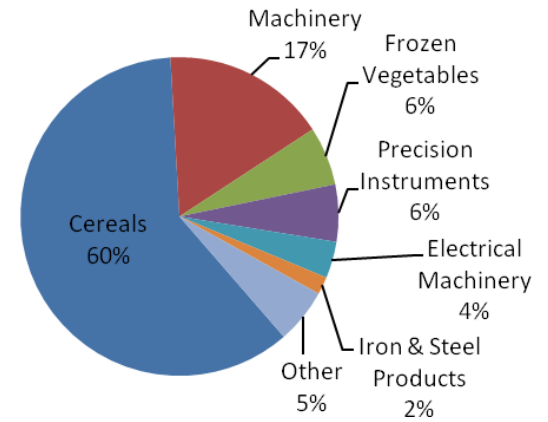
COMMUNITY

- 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.
- Between 2006 and 2010, 880 immigrants from Saudi Arabia chose Alberta as their destination. Approximately 90% were economic immigrants.
- During the same time period, 1083 foreign workers from Saudi Arabia were issued a permit to work in Alberta.

Alberta's Exports to Saudi Arabia 2001-2010



Alberta's Merchandise Exports to Saudi Arabia 2006-2010 (Total Average CDN\$127.05 Million)



TRADE AND INVESTMENT

- Between 2006 and 2010, Alberta's exports to Saudi Arabia have averaged \$127.05 million per year, including cereals, machinery, frozen vegetables, precision instruments, electrical machinery, and iron and steel products.
- During the same time period, Alberta's imports from Saudi Arabia averaged approximately \$404,000 per year, including plastic and organic chemicals. This figure does not include goods sold in Alberta that arrived via distribution hubs in other provinces.

ENERGY

- Saudi Arabia plays a leading role in OPEC, as it has the largest petroleum reserves in the world at 267 billion barrels (bbl), which is 21% of the world's proven reserves. In comparison, Alberta has 171.3 billion bbl.
- Saudi Arabia is the world's largest oil producer (10.2 million bbl/d, compared to Alberta's 1.6 million bbl/d) and the largest exporter with a volume of 7.5 million bbl/d in 2010.
- Saudi Arabia's proven natural gas reserves were estimated at 275 trillion cubic feet (Tcf) in January 2011, ranking 4th in the world (compared to Alberta's 39 Tcf) (2010).
- In 2001, Saudi Arabia reopened its upstream hydrocarbons sector to foreign investment but with limited success to date. A number of Alberta-based companies have provided drilling and services to Saudi Arabia.

AGRICULTURE AND FOOD

- Saudi Arabia made a conscious decision to cut back growing forage, as its water tables were being permanently depleted. The country does still keep livestock herds, and thus requires feed for these animals.

- At \$150 Million in 2009 and \$50 Million in 2010, wheat is Alberta's largest export to Saudi Arabia, followed by barley, a constantly steady seller (\$100 Million in 2008). Processed potatoes and bovine semen also sell well.
- Alberta has placed a high priority on building relations and engaging in discussions with Saudi Arabia to enhance trade in beef, genetics, canola and pulses.

EMERGING OPPORTUNITIES

- *Alberta's International Strategy* has identified opportunities in Saudi Arabia in energy and environmental products and services, construction, agricultural niche markets, nanotechnology and education.
- **Electrical Power Equipment:** prospects exist for Alberta companies interested in selling components and parts to local power utilities.
- **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.

EDUCATION

- The University of Calgary signed Memorandums of Understanding (MOUs) 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 MOUs 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 2004, NAIT secured a license from local authorities giving it the necessary legal status to operate a gas pipeline training institute.
- In 2007, 20 senior Saudi Higher Education officials and 56 instructors from Saudi colleges visited Alberta for 10 weeks of training with SAIT.
- SAIT-Arabia is a joint-venture with Al-Hejailan Consultants to provide training services in Saudi Arabia in petroleum sector, starting in 2008.

DIPLOMATIC REPRESENTATION

- Saudi Arabia's Ambassador-designate in Ottawa is Osama Bin Ahmad Al Sanousi.
- Canada's Ambassador to the Kingdom of Saudi Arabia, located in Riyadh, is Mr. David Chatterson.
- Canada's Honorary Consul in Jeddah is Sheikh Mohamed M. Attar.

