

PROGRESS & OPPORTUNITY

الهيئة الملكية لمحافظة العتلا
Royal Commission for AlUla







We will turn AlUla into a Living Museum, creating memories that visitors will share with the world. Heritage is the main asset of AlUla. We have to use this asset to offer visitors a unique journey through time where they can enjoy a Living Museum.

**His Royal Highness The Crown
Prince Mohammed bin Salman**
Chairman of the Royal Commission for AlUla



INTRODUCING ALULA



Dear friends,

As guardians of a unique location featuring Saudi Arabia's first UNESCO World Heritage Site, the Royal Commission for AlUla (RCU) is making continual advances in its journey to AlUla to create a world-renowned sustainable tourism destination.

Our responsible, sustainable and community-inclusive approach is opening a remarkable range of investment opportunities that meet rigorous environmental, social and governance (ESG) criteria. To facilitate further investment RCU has already invested more than \$2 billion in primary infrastructure to accelerate development of AlUla as a Living Museum.

RCU's robust investment framework is sovereign-backed and aligned with the Saudi Vision 2030 goals for economic diversification, local job creation and skills development. As we further the national vision it is our honour to have His Royal Highness the Crown Prince Mohammed bin Salman as Chairman of RCU's board of directors.

We look forward to discussing AlUla's investment potential with you.

Badr bin Abdullah bin Farhan Al Saud
Governor, Royal Commission for AlUla

The basic components of an integrated tourist economy are now working in AIUla.

These range from physical and human infrastructure, including thousands of upskilled residents and new jobs, to a range of assets such as an expanded airport and new luxury hotels. In the year since FII 2021, and following rigorous planning to highlight land use assessments and studies to ensure the best course of action in development, we have reached a stage where the components are working together to create **a stronger entity with enhanced investability:**

- The AIUla Languages Institute trains residents to speak English so they can find gainful employment in the new AIUla – with many travelling to universities abroad to learn new career paths for a diversified economy.

- Our development of the equestrian sector is not just about creating a tourism destination – but also bringing a new industry to AIUla that amplifies the region’s heritage and traditions.

- Airport expansion enables increased traffic – and also advances our goal to become a logistics hub for north-west Saudi Arabia.

RCU’s year of progress has accelerated the economic, environmental and cultural regeneration of AIUla, opening up high-value public-private partnership investment opportunities to regenerate AIUla as **a rising global destination.** In the year since FII 2021, and following rigorous planning to highlight land use assessments and studies to ensure the best course of action in development

Our progress can be measured through three key themes:

Culture and Heritage: Through a socially responsible and sustaining approach, we are preserving tangible and intangible heritage while nurturing AIUla as a hub of the creative arts.

Community: We are unlocking the potential of a prosperous and engaged community of engaged citizens by responsibly and sustainably improving liveability and expanding economic opportunity.

Growth: The AIUla masterplan is the world’s largest cultural rejuvenation programme which aims to create a wealth of economic opportunities through a sustainable, circular economy.

These themes have been advanced by several milestones during the past year including: this month’s **opening**

of the Banyan Tree AIUla resort, which marks the brand’s entry into KSA; a contract with Systra for design of the first phase of AIUla’s experiential tram; PwC and Aecom’s opening of regional offices in AIUla; a contract with National Grid Co to develop and upgrade the local power grid, including the upcoming construction of a central 380-kilovolt power plant; the opening of a new international school; and an agreement with the Ministry of Health to uplift AIUla’s healthcare and create a comprehensive medical campus. No country in the world right now rivals Saudi Arabia in its growing appeal for visitors and investors. The progress and opportunities of AIUla are an essential part of the Saudi story. Join us to explore new ventures together.

Amr AlMadani
CEO, Royal Commission for AIUla



INDEX AND OVERVIEW

Culture and Heritage	12-13
Focus on traffic	14-15
Community	16-17
Focus on infrastructure	18-19
Growth	20-21
Focus on hospitality	22-23
Focus on airport expansion	24-25



When RCU began the AIUla project in 2017, our work was defined by two words: comprehensive regeneration.

Our task continues apace. AIUla is one of the largest, most comprehensive economic, social, cultural and environmental regeneration programmes in the world – the regeneration of a cultural landscape spanning 22,561 square kilometres in north-west Saudi Arabia.

As we regenerate AIUla as the world's largest open-air Living Museum, RCU is adhering to the highest standards – culturally, socially, and economically – to achieve our comprehensive regeneration goals. Guided by the vision of His Royal Highness Crown Prince Mohammed bin Salman, AIUla is establishing itself as **a global destination for culture, arts, heritage, and history**, with tourism and entrepreneurship powering a diversified economy.

A destination that is home to active, engaged, and economically involved citizens. With vibrant cultural assets – both tangible and intangible – that allow us to draw inspiration from the past to drive our future. An instantly recognisable 'brand' with a 'spirit' that is synonymous with AIUla's unique offering and possibilities.

Economic regeneration is spearheading our development to serve the community rather than coming into conflict with it: ensuring residents benefit from the opportunities our masterplan creates so that they are active contributors in shaping a new narrative.

AIUla is working. Progress is happening. Its viability, appeal and investability – locally, regionally, and globally – continues to expand and evolve.

In the 16 months since we introduced our masterplan for AIUla, **RCU has made immense headway** on the journey from vision to reality. The pace of activity is brisk, from the detailed restoration work in AIUla Old Town – a powerful symbol of our achievements, home to new life and economic activity – to the first guests arriving at the Banyan Tree AIUla resort, and from our plant nursery's meticulous assessment of seed species for reintroduction into a greener AIUla to the preparatory training of scholarship students at the AIUla Languages Institute.

RCU is creating a wealth of opportunities in the AIUla community, empowering people and transforming places.

Already our project has **created over 2,700 jobs** in a mix of tourism and non-tourism roles. We have also begun training and enabling a wide range of small businesses in our SME Enablement Programme; and AIUla's new industries such as cosmetic production, jewellery-making and artisanal goods are driven predominantly by local women.

Our SME hub Vibes AIUla offers training and creates **opportunities for start-ups**, entrepreneurs, freelancers, and fresh graduates, establishing a micro-economy with huge potential for growth.

Exciting new educational opportunities allow students to expand their worldview and skills overseas by enrolling in scholarship courses at specialist universities. In July 2022, RCU launched the AIUla Scholarships Centre as a bridging point between our students abroad, their institutions, and their families at home. These young people will return equipped with the knowledge to actively participate in AIUla's development. They will join us as RCU writes the story of AIUla's comprehensive regeneration, page by page.

HIGH-END HAVEN OF CULTURE AND HERITAGE



Culture and heritage are key drivers of AIUla's appeal for visitors – and for investors.

Market research shows that 26% of **affluent travellers** are driven by culture and heritage. Versus regular travellers, heritage travellers are more likely to spend more on high-end experiences. Their travel motivations are driven by cultural connection, nature and sustainability. They want to be the first to visit destinations and are more open to the unexplored.

In the past year, significant progress has been made to enhance AIUla's offering on these fronts.

AIUla is a valley of villages. Each has its own story to tell, its own heritage, culture, and story to tell the world. Its appeal is wide and growing.

In September, AIUla's cultural heritage gained the global spotlight with the unveiling of an ancient Lihyanite masterwork, **Monumental Statue**, at the Louvre Museum in Paris.

The statue will be on prominent display for five years at the Louvre, and viewed by

the museum's roughly 10 million visitors a year. The statue, which is believed to depict a Lihyanite king, dates from the 5th-3rd centuries BCE and was discovered by archaeologists at AIUla's Dadan archaeological site.

In terms of natural heritage, RCU continued to reintroduce native species including ibex, oryx and gazelles as we regenerate the AIUla ecosystem. RCU will ultimately designate at least 80% of AIUla's territory as nature preserves, and is preparing priority sites for species reintroduction (beginning with social outreach and long-term biological monitoring).

RCU aspires to eventually reintroduce the **Arabian Leopard** to AIUla. RCU has greeted several new cubs at its breeding centre in Taif, KSA and raised regional awareness of the species' plight during the inaugural Arabian Leopard Day on February 10. The campaign generated 1,800 pieces of media coverage in 24 hours and our 'leopard filter' reached more than 14 million social media users.

AIUla gained further stature in the conservation community when UNESCO added the Harrat

'Uwayrid ecosystem to the World Network of Biosphere Reserves. Harrat 'Uwayrid is the largest nature reserve in Saudi Arabia and the wider region. Its landscape features rugged terrain and valleys surrounding a volcanic field. Native species include wolves, hyenas, caracals and eagles.

As for opportunities ahead, RCU announced the **Wadi AlFann** 'Valley of the Arts' project in which five Saudi and foreign artists will erect monumental open-air artworks across 65 square kilometres at AIUla.

These advances are increasing the global awareness of AIUla as a Living Museum – and as we see on the following page, they are driving increased traffic.

HIGH-END HAVEN OF CULTURE AND HERITAGE

FOCUS ON TRAFFIC

The regeneration and renewal of heritage is already paying dividends with increased visitor traffic.

The components of a cultural, heritage, and tourist economy now are in place and helping to attract diverse categories of visitors, and investors, to AIUla.

AIUla welcomed 146,000 visitors in 2021, **62% over target.**

Domestically our awareness has grown importantly over the last year, reaching **72% brand recognition** among affluent travellers. Globally across Tier I and Tier II markets in Europe, Asia-Pacific and the US our awareness has reached 29%, which is expected to keep rising as we launch further brand campaigns.

RCU anticipates significant growth in visitors in the next few years with an increase from beyond the GCC.

We are forecasting approximately **240,000 visitors in 2023, 290,000 in 2024 and 380,000 in 2025.**

When the regeneration of AIUla is complete in 2035, that number will reach two million a year.

During the 2021-22 season, 83% of visitors were leisure travellers. Eighty-two percent came from the GCC countries, but Europe (13%) and the US (5%) were starting to drive visitation. Couples and friends represented 46% of visitors, with family accounting for almost 40%.

A main driver was the expansion of the festival season – an unforgettable union of culture and landscape – which is enabling AIUla's **growth as a yearlong destination.** The 2021-22 AIUla Moments festival season featured four segments: Winter at Tantora, with high-end cultural events; AIUla Arts, with exhibitions by leading artists; AIUla Skies, when guests could hop aboard a hot-air balloon or vintage plane; and AIUla Wellness with body and soul experiences including yoga, meditation and mindfulness.

International artists who have performed at AIUla include Andrea Bocelli, Alicia Keys and Lionel Richie.

AIUla is also increasingly a venue for the MICE sector thanks to the popularity of the **Maraya multi-purpose venue.** In the past year the venue hosted events including the Hegra Conference of Nobel Laureates, which included the 1983 Nobel Peace Prize recipient Lech Walesa as a speaker, as well as a meeting of the top leadership of the International Union for Conservation of Nature.

Further supporting traffic growth in the past year were expansion of the hospitality offering and the international airport, which are discussed later in this brochure.

UPLIFTING OUR COMMUNITY

Creating thriving communities is the foundation on which RCU's comprehensive regeneration of AIUla is being built and continues to take shape.

Providing jobs and opportunities for the people of AIUla is a priority and key driver for long-term investment as RCU establishes a strong, local, circular economy.

Liveability and investability go hand in hand, with sustainable, welcoming, modern neighbourhoods and expertly designed urban zones acting as the catalyst for AIUla's development into a destination where people can live, work, and thrive in harmony with their surroundings.

Comprehensive progress has been made; through considerable, continued, and far-sighted investment in key human-centric infrastructure such as schools, hospitals, recreation spaces as well as opportunities for job creation and entrepreneurship, RCU is expanding and growing AIUla's appeal to citizens, residents, and visitors alike. As we move forward with our journey to transform AIUla, the release of land as part of our **Urban Development Plan** is ensuring the local community is included in our journey each step of the way, creating homes for families and sites for new businesses to take root.

Recent land programmes in Sadr and AlMahash, and upcoming releases in AIUla Central landowners and investors to build houses, open offices, and lay down the fabric of life in a new neighbourhood.

Health and education – the bedrock of a thriving community that gives back to its people – are also being uplifted.

A Memorandum of Understanding agreed with the Ministry of Health is developing and upgrading the **health sector**, transforming Prince Abdul Mohsen Bin Abdulaziz Hospital into a modern medical campus. A new, comprehensive healthcare Mega Centre will provide the community with easy access to the latest treatments while also encouraging local people to seek new opportunities to work as nurses and doctors.

The **Al Faris International School**, a multi-year partnership between RCU and Al Faris International, will see the next generation of citizens and residents flourish in an academically inspiring International Baccalaureate curriculum, elevating the educational landscape.

Long-held community markets that support traditional areas of economic activity are being invigorated through investment in events such as the annual **Dates Festival**. This year's edition saw excellent growth: the amount of dates auctioned during the festival's first two weeks was 97 tonnes this year, versus 20 tonnes in 2021.

Our commitment to regenerate the **agricultural sector** saw the delivery of new irrigation systems in 26 farms, resumption of agricultural production in previously deserted areas, incorporation of green-manure crops into the soil to improve its fertility, and increased cultivation of vegetables. Meanwhile the growth of SMEs and the wider economic ecosystem supports RCU's ambition to reduce unemployment to just 7% by 2035 and to boost the monthly per-capita income from 5,460 riyals to 7,420 riyals.

As AIUla continues to evolve into the world's largest open-air Living Museum, opportunities for investment in economic empowerment and community development programmes will **boost the population** to 130,000 by 2035, establishing AIUla as a major urban, business, and investment hub – a dynamic, vibrant community at the beating heart of north-west Arabia.



UPLIFTING OUR COMMUNITY

FOCUS ON INFRASTRUCTURE

RCU and its network of partners and suppliers have made considerable progress in the past year as we develop AIUla's liveability and investability – bringing new industry, solutions, and services into the County to uplift people's quality of life, empower growth, and maintain our momentum.

Several goals in RCU's contract signed with **Aecom** at FII 2021 have been achieved. All deliverables have been completed for the solid waste survey and hydrology study, the stormwater and flood risk assessment, and phase 1.0 of establishing the lead design office.

Meanwhile the French consortium **SEA** (Setec, Egis and Assystem) quickly mobilised after signing a contract with RCU at FII 2021. Its work has resulted in an infrastructure backbone programme to uplift AIUla from now through 2035.

The work by AECOM and SEA combines world-class project management expertise with complex, large-scale execution and delivery experience as AIUla builds up infrastructure and key tourist assets.

Our progress in infrastructure development lays the foundations of a functioning, thriving, appealing destination; a place that generates economic prosperity alongside a community's sense of pride in its home and surroundings.

At FII 2021, RCU also signed a partnership agreement with STC that is now rolling out RCU's digital strategy and AIUla's development as a Smart City.

More recently, RCU signed a contract with **National Grid Co** to develop and upgrade AIUla's power grid. This contract, with a value of 3.5 billion riyals, is now at the design and tendering phase. Under the agreement, a central 380-kilovolt (KV) power plant will be built, with three 132-KV sub-plants.

And RCU has contracted Paris-based Systra to design the first phase of AIUla's experiential tram system, which in total will span approximately 50 km from Hegra in the north to AIUla's international airport in the south. Groundworks for the tram are scheduled to begin in H1 2023, with enabling work in Q1 and the start of construction in Q2.

Overall, RCU is on schedule with an extensive infrastructure programme that will ultimately have a value of approximately 20 billion riyals.

Our strategic road map for infrastructure is nearing completion of the tactical phase, satisfying immediate demands through solutions such as power generation and mobile water treatment. This will be followed by a phased mid-term and long-term strategy through 2030 for AIUla's growth as a community and a destination.

ACHIEVING TRANSFORMATIVE GROWTH



AIUla is growing. AIUla is progressing. AIUla is working.

The last 12 months has seen AIUa's transformation – economic, environmental, and cultural – pick up pace, with significant public-private partnerships opening new opportunities to invest in Saudi Arabia's, and the world's, most exciting destination.

RCU's priority focus on far-reaching projects to upskill local people, empower SMEs, and boost job creation is reshaping the economic landscape of this region of north-west Arabia.

Our regeneration goals are achieving sustainable cash flow within a vibrant, local, circular, community economy. RCU's cumulative **contribution to GDP** has accelerated from 381 million riyals in 2018 to more than 3 billion riyals last year.

AIUla's prospects for continued growth are firm. RCU's comprehensive regeneration plan emphasises economic development, increased employment, and entrepreneurship as the driving factors that will help AIUla County achieve its potential as a hub for business, innovation, opportunity and more.

As AIUla becomes a global destination, and a **gateway to Arabia** for international companies, tourists, and investors, ongoing efforts to support, promote, and integrate the burgeoning SME community are delivering powerful results with benefits felt by people and businesses.

Our SME hub, Vibes AIUla, is invigorating a new generation of talent across a range of industries, from tourism to transport, education, construction, local products, and hospitality services.

Entrepreneurial ideas continue to spring up in new areas, such as the facilitator market; as the standard of accommodation rises in line with the RCU building codes, increased investment from overseas companies and interest from visitors, Airbnb-type lettings are emerging as a viable source of income.

At the 2022 Global Entrepreneurship Congress, which featured a main event in Riyadh and a satellite event in AIUla, RCU showcased to the world the depth of opportunity that thrives here, powered by economic progress and job creation.

RCU has so far **created 2,728 jobs** in a mix of low-impact /light-touch tourism and non-tourism roles, with **5,274 people graduating** from upskilling initiatives. By 2035, RCU will have created 38,000 jobs.

Encouraged by RCU's network of experts that offer technical and policy support, SMEs are benefiting from an economic community that is conducive to growth, encouraging businesses to link up with each other for the betterment of all – creating engaged, active participants in AIUla's growth. Investment in people and ideas pays off. By RCU's calculations for every riyal spent in the support of local enterprises the return on this investment doubles, based on employment and wages, enterprise expenditure and delivery of service to customers.

Our progress, our viability and investability, can be viewed through the clear lens of growth and development. The results speak for themselves.

The opportunities that will be created by maintaining the momentum of investment in AIUla's potential are enormous.

ACHIEVING TRANSFORMATIVE GROWTH

FOCUS ON HOSPITALITY

RCU is developing the accommodation sector to cater for diverse consumer types and demands – locally, regionally, and globally.

This October marked a major hospitality milestone: completion of the phase one of the luxury Ashar Valley hub with the opening of the **Banyan Tree AIUla resort**.

The Banyan Tree AIUla resort supports not only AIUla’s destination credentials but reinforces the Kingdom’s appeal to visitors as a key feature in the KSA’s expanding tourism ecosystem.

Ashar Valley is also home to the world-famous Maraya multi-purpose venue, which has hosted numerous concerts and events over the past three years and has had a significant role in putting AIUla on the map, particularly from an entertainment perspective. Maraya was joined by the Habitas Resort and the Caravans by Habitas that opened a year ago in a secluded and spectacular canyon in the Ashar Valley.

Now, these facilities have been joined by the Banyan Tree AIUla resort, the first internationally branded five-star property in the AIUla district and the first with an all-villa product. The resort is also the first Banyan Tree in Saudi Arabia.

RCU is ramping up the number of hospitality keys at AIUla, with increased growth as we welcome greater numbers of affluent travellers in the years ahead (see table).

The selection of Banyan Tree to operate at AIUla was driven by the fact that the brand is in **synergy with RCU’s vision** for the destination. The ethos of Banyan Tree is to provide a sanctuary for the senses in an awe-inspiring location with a deep sense of place.

	Number of Hospitality Keys in AIUla (per year)	Number of Hospitality Keys (cumulative)
2021	429	429
2022	275	704
2023	432	1136
2024	784	1920
2025	612	2532

Everything needs to be connected, starting with the design and architecture, respect for the local environment, food sourcing, and curated experiences. The Banyan Tree group is also committed to empowering its people and caring for the community, with opportunities for job creation and career development available. Ashar Valley is an exciting hospitality district, fully equipped with efficient, modern power-plants, water treatment services and comprehensive infrastructure, which will help to back up upcoming sustainable energy production projects, aiding its development while reinforcing its unique appeal for investors and visitors alike. With all this in place and working together seamlessly, Ashar is ably emerging as a **luxury hub** in a thriving destination. Guests at the Banyan Tree AIUla will be within minutes of the UNESCO World Heritage Site at Hegra in one direction and the lands of the ancient Dadan civilisation in the other.

With a target across AIUla of having **9,400 rooms by 2035**, when two million visitors are expected to experience AIUla, the completion of phase one of the Ashar Valley project is a monumental milestone.

ACHIEVING TRANSFORMATIVE GROWTH

FOCUS ON AIRPORT EXPANSION



AIUla International Airport (ULH) is the main transport and logistics gateway that connects AIUla with the region and beyond.

A busy, modern, friendly, and efficient international airport, ULH has greatly contributed to AIUla's appeal as an vibrant destination with substantial potential for sustained investment.

A key economic driver in AIUla's integrated economy – an economy that continues to expand into exciting sectors beyond just tourism – the airport is a symbol of our progress, development, and ambitions for north-west Arabia and a focal point to service and uplift communities through job creation in new, highly-skilled, fields.

Located around 25km to the south of AIUla town, ULH is currently undergoing a **SAR 1.3bn multi-year development plan** to build new air-and land-side infrastructure, extend the runway, and construct a purpose-built Fixed Base Operator (FBO) terminal for VVIP visitors.

With completion expected in 2024, the FBO will accommodate luxury travellers during their visit to AIUla, particularly in the popular winter season, with a visually striking design style complementing high-end amenities and services. The development will also greatly increase the airport's capacity for private planes. Currently able to welcome up to 400,000 people each year, ULH's expansion will see its annual capacity rise to 4.5 million passengers by 2035 while also allowing for 22,000 tonnes of cargo.

RCU's vision for ULH is aligned with KSA's National Aviation Strategy, which envisages tripling annual passenger traffic to 330 million by the year 2030.

Officially opened in 2011, ULH has seen a huge increase in the number of national and international flights as RCU drives forward with its development goals for AIUla in line with national plans to boost visitor numbers to KSA as part of an expansive and capable tourism infrastructure landscape.

The viability and opportunity for investment in ULH is growing rapidly as more airlines offer regular routes to AIUla. KSA-based airlines Flynas and Saudia currently operate flights from AIUla to destinations including **Cairo, Dubai, Riyadh, Dammam and Jeddah**. The UAE-based airline FlyDubai runs regular links between AIUla and **Dubai**.

On target to become a flagship **logistics hub for north-west Arabia**, AIUla's airport represents an attractive investor proposition thanks to its ability to power economic development. By opening new commercial endeavours and employment opportunities in aviation, logistics, retail, tourism, and affiliated sectors, ULH is aligned with RCU's empowerment goals for AIUla, its community, and the growth of a dynamic, sustainable, local economy.

We believe ULH, and moves to greatly invest in its capacity and capability, are essential as AIUla grows into an extraordinary Living Museum.



الهيئة الملكية لمحافظة العلا
Royal Commission for AlUla



JOIN US ON AN EPIC JOURNEY

Powered By Progress & Opportunity

You can reach our investment team via:

UCL.RCU.GOV.SA/EN/INVESTMENT