



Saudi Arabia Guide

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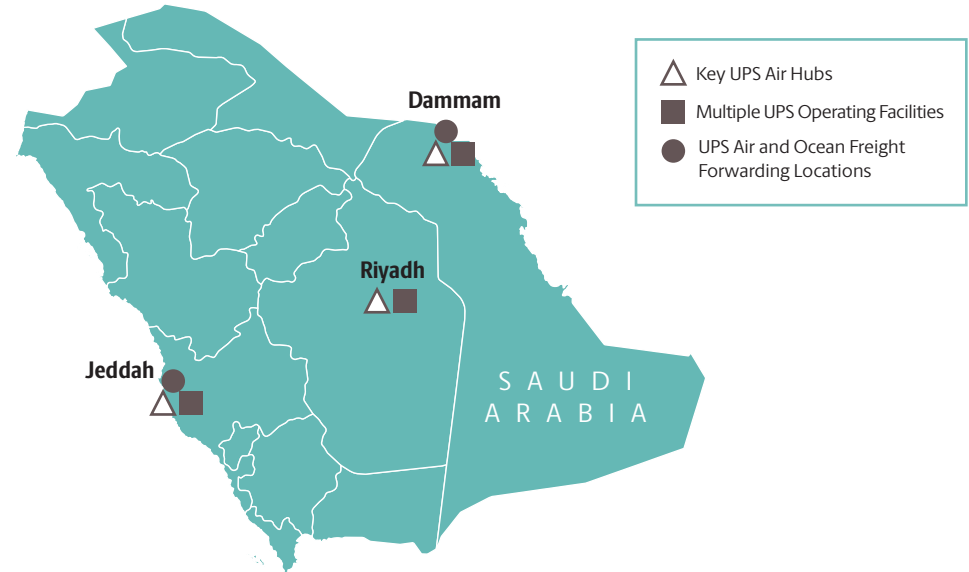
Saudi Arabia's Transforming Economy

The second-largest export market for U.S. goods in the Gulf, behind the United Arab Emirates, Saudi Arabia also has the largest economy in the region. Saudi Arabia possesses approximately 22% of the world's oil reserves. It is the world's largest exporter of petroleum liquids and relies on the oil industry for almost half of its GDP. With oil revenues declining, however, the country is looking for ways to supplement the backbone of its economy.

The planned diversification of the economy has led to a more tolerant view of non-Saudi businesses. Though there are still barriers and regulations in place that restrict some trade, there are areas experiencing more openness for foreign investors, including wholesale, retail and franchise sectors.

The country's Vision 2030 and National Transformation Program initiatives also offer new opportunities for U.S. businesses. Saudi Arabia's IT market, the largest in the region, is expected to see greater growth, including in the area of cyber security, big data and geospatial information systems. And the continued demand for healthcare services, pharmaceuticals and medical devices for the treatment of issues such as cardiovascular disease and diabetes will provide more opportunities for U.S. companies to expand business.

UPS can help you navigate local rules, regulations and customs to make your exports easy. This guide is a start, highlighting information for exporting to Saudi Arabia. To learn more, contact your UPS Account Representative and expand your business in the Middle East.



Country Facts	
Capital:	Riyadh
Population:	33.4 million (2018 est.)
Area:	2,149,690 km ² (830,000 mi ²)
Language:	Arabic (official)

Economy	
Currency:	Saudi Riyal (SAR)
GDP (2017 est.):	Purchasing Power Parity: \$1.775 trillion
Major Industries:	Crude oil production, petroleum refining, basic petrochemicals, ammonia, industrial gases, sodium hydroxide (caustic soda), cement, fertilizer, plastics, metals, commercial ship repair, commercial aircraft repair, construction
Imports:	\$96.2B (2017 est.) Major products from the U.S. include: <ul style="list-style-type: none"> • Transportation equipment (passenger cars, trucks, buses) • Industrial machinery • Chemical products • Computer and electronic products • Fabricated metal products • Defense systems • Civil aircraft • Healthcare products

Destination	Time in Transit	
	Non-dutiable (Express Saver)	Dutiable (Express Saver)
Riyadh	2 days	3 days
Jeddah	3 days	5 days

As of February 2019. To calculate times and costs, visit [ups.com](https://www.ups.com)

Sources: CIA World Factbook; The World Bank; U.S. Department of Commerce International Trade Administration; UPS WorldCom; U.S. Census Bureau CNN; Time in Transit study (Sana Ali), UPS Global Business Services; Observatory of Economic Complexity

To learn more, UPS provides an Import/Export tool for you here → to learn what you need to ship from one destination to another.



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De minimis Value

Private and Commercial Shipments — 1,000 SAR (approximately US\$266). Subject to VAT 5%.
If shipment value is less than or equal to the de minimis value, in most cases the shipment may enter duty and tax free.

Unique Customs Info

The following documents are required for exporting goods to Saudi Arabia:

- Certificate of origin
- Commercial invoice (in triplicate) which must state the country of origin, name of the carrier, brand and quantity of goods, and description of the goods including weight and value
- A clean bill of lading or airway bill
- Documents indicating compliance with health regulations, if applicable
- Insurance documents, if shipments are sent Cost, Insurance and Freight (CIF)
- Packing list; and
- Certificate of conformity with applicable Saudi standards, if available.

A SASO (Saudi Standards, Metrology and Quality Organisation) Certificate of Conformity is required for all goods entering the country. [Learn more here.](#)➔

All goods valued over US\$266 should be cleared on Importer of Record (IOR). When shipping to a private individual, the receiver must provide tax ID/ residence ID. Businesses must provide the receiving company's Commercial Registration (CR) number.

Import Tariffs

The Gulf Cooperation Council (GCC) Customs Union equalizes duties paid upon the entry of an import to any member state of the GCC — UAE, Saudi Arabia, Kuwait, Bahrain, Qatar and Oman — no matter the destination country within the GCC.

Certain products, including aircraft and most livestock, may be imported duty free, while other products are subject to a 12 percent tariff to protect local industries, such as textiles.

Free Trade Zone

The transshipment of goods is permitted through King Abdullah Economic City, as well as the ports of Jeddah and Dammam, where Saudi Arabia also has bonded re-export zones. The country is also a member of the Greater Arab Free Trade Area (GAFTA).

Value Added Tax (VAT)

A 5 percent VAT has been implemented and enforced in Saudi Arabia for most goods and services since January 1, 2018.

Prohibited Items

- Alcoholic beverages
- Antiques
- Asbestos
- Dangerous goods, hazardous or combustible materials
- Electronic cigarettes
- Firearms, or parts of
- Furs
- Gambling devices
- Goods of Israeli origin/manufacture
- Goods with the Saudi coat of arms
- Imitation firearms/paraphernalia
- Items offensive to the Muslim and Saudi culture, including religious publications and figures
- Ivory
- Jewelry
- Military uniforms
- Pictures of Mecca, Medina, or the Saudi Royal Family
- Pork products
- Pornography
- Postal envelopes
- Precious metals and stones
- Soil samples
- TV satellite cards
- Unprocessed tobacco

Restricted Items

- 8mm, 16mm and 35mm and entertainment films, audio cassettes, computer tapes and video cassettes, blank forms, compact discs, credit cards and credit card blanks (NI), computer software, diskettes, microfiche and microfilm, negatives including x-rays and films
- Computer components and parts
- Cosmetics and non-hazardous chemicals
- Drugs: prescription and non-prescription
- Foodstuffs, including food supplements, personal or commercial
- Grain samples
- Medical or dental supplies and equipment
- Medical samples, including herbal supplements and medicines, personal or commercial
- Mobile phones, accessories and components, radios and radio equipment or parts, slides, telecommunication equipment and televisions and television equipment
- Passports
- Personal effects
- Plants and plant products, including seeds
- Promotional or training films
- Satellite equipment
- Toys

[More details regarding UPS and U.S.-to-Saudi Arabia prohibited or restricted items can be found here.](#)➔

Selling U.S. Products and Services

Appointment of a Saudi agent or distributor is not required to sell to Saudi companies, though it is highly recommended, especially for U.S. companies new to the Saudi market. The U.S. Department of Commerce in Saudi Arabia can help U.S. exporters to explore opportunities and qualified partners.

[More information on registering a business is available here.](#)➔

UPS Capital® Services

UPS Capital services offers a full range of financing and insurance options to help you operate with greater productivity and minimize risk when shipping from the U.S. to Saudi Arabia. These options include:

- Cargo Insurance
- Trade Credit Insurance
- Global Asset-Based Lending

[Learn more about all UPS Capital® services options here.](#)➔

UPS Paperless® Invoice

UPS Paperless® Invoice simplifies your paperwork by eliminating the need for paper commercial invoices. It allows you to integrate order and shipment processing electronically, and it reduces customs holds by streamlining the customs clearance process through transmitting information digitally.

[Learn more about UPS Paperless® Invoice here.](#)➔

UPS Customs Brokerage

- New customs brokerage technology facilitates pre-clearance, optimizes accuracy, helps to avoid possible disruptions and provides more consistent transit times.
- Expanded airside import facilities help to deliver more predictable and potentially quicker turnaround time for goods entering the country.
- Authorized Economic Operator (AEO) status provides inspection prioritization, priority consignment pickup, faster clearance and reduced post-clearance audits.

[Learn more about UPS Customs Brokerage here.](#)➔

Contact your UPS Account Executive, call 1-800-782-7892 or visit ups.com/middle-east for more information.