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هيئة تنمية البحث والتطوير والابتكار
Research Development and Innovation Authority

SHAPING NEW MARKETS

SAUDI ARABIA MARKETS OF TOMORROW ACCELERATOR

An initiative in collaboration with the World Economic Forum

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The Saudi Arabia Markets of Tomorrow Accelerator empowers researchers and entrepreneurs to transform ideas into impactful solutions. It fosters innovation, builds a thriving startup ecosystem, and unlocks opportunities in emerging markets. Through this initiative and in collaboration with the World Economic Forum, we are committed to continuing this journey to empower societies, safeguard the planet, and shape new frontiers.

H.E. Abdullah A. Alswaha,

Chairman, The Research, Development, and Innovation Authority.

The Saudi Arabia Markets of Tomorrow Accelerator is a unique platform convening public and private sector leaders to advance the Kingdom's vision of economic transformation. This pioneering initiative is laying the groundwork to unlock new markets that will help drive the transition to net-zero, and support the development of cities at the technological cutting edge. As well as delivering impact through national action, this project is also fostering new ideas and collaboration through its integration in the World Economic Forum's Global Learning Network of Accelerators.

Børge Brende,

President and CEO of the World Economic Forum.



A Message from
Dr. Mohammed Alotaibi

Acting Head
The Research, Development, and Innovation Authority

As we continue to transform Saudi Arabia into a global hub for innovation and development, I am both proud and grateful to present this Markets of Tomorrow Accelerator Report on behalf of the Research, Development, and Innovation Authority (RDIA). This report is a result of collective efforts and dedication, showcasing our progress and aspirations in advancing the Kingdom's capabilities in science, technology, and economic development. RDIA's steadfast commitment to driving research and innovation within the Kingdom of Saudi Arabia helps further advance economic growth and solidify our position as a leader in science and technology.

As the national entity propelling research and innovation, RDIA plays a pivotal role in advancing economic growth and reinforcing the Kingdom's leadership in science and technology. As a key enabler of Vision 2030, RDIA is dedicated to empowering critical sectors to position Saudi Arabia at the forefront of global innovation.

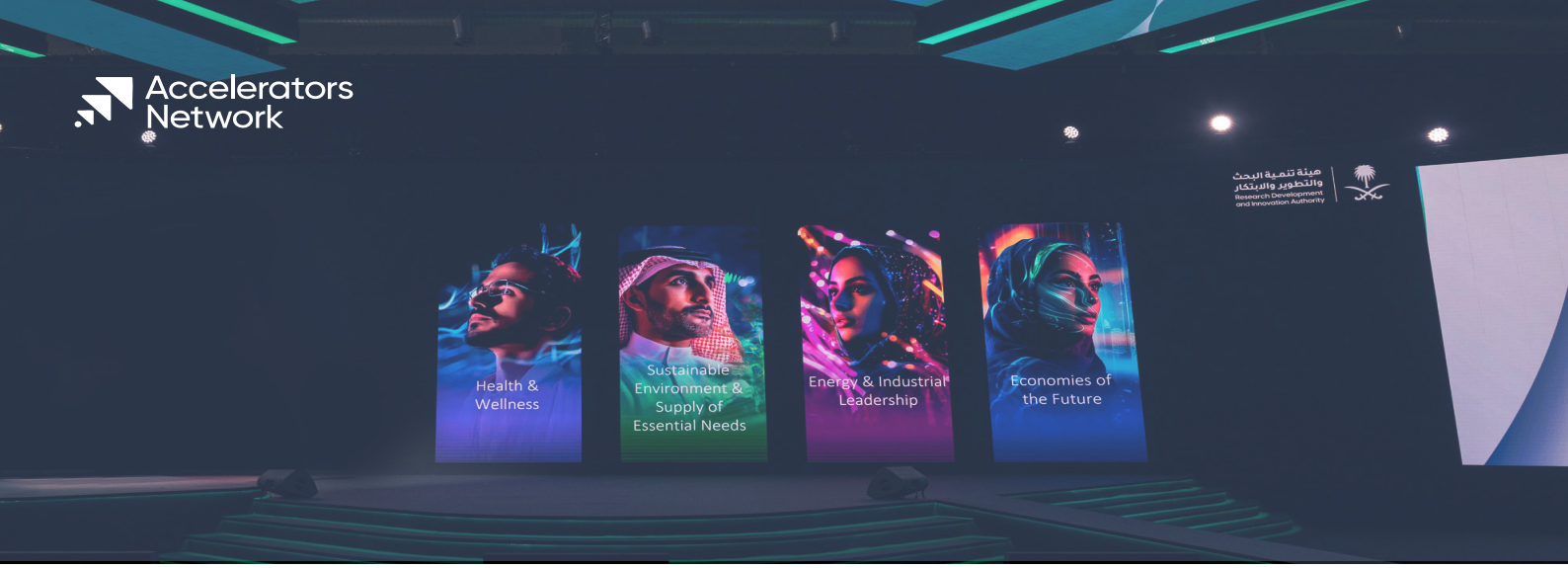
Central to this mission is the Accelerator initiative, a transformative initiative designed to fast-track research into actionable, scalable solutions. By providing a collaborative space for ideas, partnerships, and solutions, the Accelerator enables innovators to transform their concepts into tangible outcomes with significant real-world impact. This initiative bridges the gap between research and application, fostering rapid progress and innovation.

The Accelerator significantly impacts Saudi Arabia's economic landscape by achieving several key objectives: shaping a dynamic public sector to co-shape new markets, building values-driven public-private partnerships, supporting entrepreneurship to scale up new markets, and reforming finance for sustainable market creation. By addressing bottlenecks and fostering innovation in energy, industrials, and sustainability, the initiative not only supports economic diversification but also elevates Saudi Arabia's global standing. Additionally, it nurtures sectors that are crucial to the Kingdom's long-term goals, ensuring their prosperity in the years to come.

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OVERVIEW OF THE ACCELERATOR





The Research, Development, and Innovation Authority (RDIA)

Serves as a cornerstone in Saudi Arabia's journey to transform into a diversified and sustainable economy. Established as part of the Kingdom's strategic efforts to fulfill key aspects of Saudi Vision 2030, RDIA promotes national priorities across crucial sectors such as health and wellness, sustainability and essential needs, energy and industrials, and economies of the future. This aligns with the Kingdom's strategic goal to foster a thriving knowledge-based economy.

As the custodian of the RDI strategy, RDIA extensive mandate includes formulating policies, fostering international and domestic collaborations across public, private, academic sectors, and supporting technological innovation. This broad scope of activities enables RDIA to facilitate initiatives that are crucial for the Kingdom's innovation agenda, such as the Saudi Arabia Markets of Tomorrow Accelerator. The Accelerator is a transformative initiative that promotes public-private collaboration to establish and nurture new markets, aiming to accelerate economic transformation in Saudi Arabia. This initiative aligns seamlessly with the RDI strategic missions by cultivating emerging markets that are essential for the Kingdom's economic resilience and future growth. Notably, the Accelerator advances the RDI missions of achieving net-zero emissions, promoting the reuse of raw materials in industry, and going beyond smart cities to establish 5 cognitive cities.

By aligning the Accelerator's aspirations with RDIA's overarching goals, the initiative not only propels forward-thinking economic sectors but also ensures that these efforts contribute significantly to the realization of Saudi Vision 2030. The Accelerator thus complements the RDI strategy to transform Saudi Arabia into a global leader in innovation, sustainable development, and high-tech industries, driving long-term economic growth and diversification.

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The Markets of Tomorrow Accelerator

Launched in 2023, the Accelerator draws on the guidance and insights of the World Economic Forum's Markets of Tomorrow Playbook, designed to unlock new markets and drive economic transformation. This transformative process began with the creation of a tailored governance model, initiated after the signing of a Letter of Intent (LoI) between H.E Abdullah Alswaha, Chairman of the Board of The Research, Development and Innovation Authority (RDIA), and Børge Brende, President of WEF. By fostering public-private collaboration, the Markets of Tomorrow Accelerator is designed to uncover and address the barriers of market creation and propose actions for developing and sustaining new markets, fueling long-term economic growth in Saudi Arabia through a structured, step-by-step process. The journey begins with achieving its ambitious milestones.

Phase 1

Where a tailored governance structure is carefully crafted to set the foundation for success.

The Accelerator focuses on identifying and prioritizing new markets that hold the promise of shaping the future.

Phase 2

Phase 3

This phase takes a deep dive into a current state assessment of the identified markets, revealing key opportunities.

A set of recommended actions is formulated to translate the insights of the markets' assessment into tangible recommendations and outcomes.

Phase 4

The Accelerator's phases encapsulate its critical role in supporting Saudi Arabia's ambition to become a leader in innovation by fostering the development and expansion of new, sustainable markets that are crucial for the future economic landscape of the Kingdom. The structured approach of the Accelerator ensures that each phase builds upon the last, creating a comprehensive framework for sustainable market development and innovation. Building on this structured framework, the efficacy of the Accelerator also hinges on the active participation of a diverse network of stakeholders.



Fostering a Dynamic Network

Central to the success of the Markets of Tomorrow Accelerator is its commitment to engaging a vibrant community of governmental entities, industry experts, startups, companies, researchers, and investors, all united by a commitment to sustainability in urban and environmental development. This inclusive approach ensures that a wide array of expertise is leveraged, fostering innovative solutions and robust market growth in new markets. By cultivating such a dynamic network, the Accelerator enhances its ability to achieve its ambitious goals and makes a profound impact on Saudi Arabia's sustainable development landscape.

Future Aspirations

The Markets of Tomorrow Accelerator is poised to significantly influence Saudi Arabia's sustainable development and entrepreneurial growth by 2030. Based on the Kingdom of Saudi Arabia GEM 2023/2024 Report, established business ownership reached 13.6% in 2023, with expectations for further growth by 2030, driven by innovations in building envelope systems, low-emission materials, sustainable resource management, and smart building technologies among others. These advancements will enhance energy efficiency and sustainability in construction across the Kingdom.

In this context, the Accelerator addresses challenges in Saudi Arabia's markets for sustainable building systems and products and smart city solutions, including technological gaps and regulatory barriers. It promotes innovation, infrastructure development, and ensures effective execution. By leveraging cross sector collaboration and using data-driven insights, the Accelerator prioritizes initiatives that bolster the RDI ecosystem, fostering a robust infrastructure for sustainable innovation and enhancing the Kingdom's research, development, and innovation capacities.

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DETAILS OF THE 4 PHASES OF THE ACCELERATOR





In 2023, The Letter of Intent (LoI) was signed by H.E. Eng. Abdullah AlSwaha, Chairman of RDIA, and Børge Brende, President and CEO of the World Economic Forum

Key milestones of the Markets of Tomorrow Accelerator

PHASE 1	PHASE 2	PHASE 3	PHASE 4
Setting up The Governance Structure	Identifying and Prioritizing New Markets	Conducting a Current State Assessment	Developing a Recommended Actions List
MAY 2023	APRIL 2024	DECEMBER 2024	JANUARY 2025

Upon its inception, the primary focus of the Markets of Tomorrow Accelerator was to expedite the development of new markets within the Kingdom, a critical endeavor that necessitated the identification of priority areas. Given the initiative's emphasis on significant innovation and research, the selection of priority areas was strategically chosen to effectively contribute to the RDI ecosystem. This selection was based on their potential for significant impact and the urgency of their developmental needs, ensuring that the Accelerator's efforts are effectively aligned with the most pressing and impactful market opportunities.

The selected priority areas—Cognitive Cities and Net Zero Emission—embody a forward-thinking approach to crafting a smarter, more sustainable future. **Cognitive Cities** focuses on cutting-edge technology and extensive data analytics to transform urban spaces. These cities aim to elevate living standards by integrating the Internet of Things (IoT), artificial intelligence (AI), smart grids, blockchain technology, digital twins, and sophisticated modeling systems into daily urban management and development. This holistic use of technology makes urban areas more adaptable, efficient, and responsive to the needs of their inhabitants.

Moreover, the **Net Zero Emission** mission seamlessly complements the objectives of Cognitive Cities, centering on the mitigation of climate change through the promotion of renewable energy sources and eco-friendly industrial practices. This objective is supported by the deployment of technologies such as predictive analytics, which optimize maintenance routines and resource utilization, along with the use of 3D printing in building construction to minimize environmental impact. These technologies are integral to achieving the Kingdom's ambitious objective of net-zero emissions, reflecting a commitment to environmental sustainability and technological advancements.

Phase 1: Setting up the Governance Structure

The initial phase focuses on establishing a Governance Structure designed to guide and drive our Markets of Tomorrow Accelerator Initiative in Saudi Arabia. This governance structure delineates the roles and responsibilities of key stakeholders, including co-chairs, sherpas, enablers, and participating members. In this phase, the governance structure of the Accelerator is identified, and roles and responsibilities are assigned to the designated members. Four principle groups are part of the Accelerators Governance Structure.



1- Set The Direction

The foundational aspect of the governance structure, aimed at steering the initiative towards its overarching goals. This role is crucial for providing the strategic direction around the Accelerator's objectives and generating momentum for transformative change to ensure successful implementation.

This group is represented by the Co-Chairs:

- **H.E. Dr. Munir Eldesouki, President of KACST**
- **Dr. Andreas Cangellaris, Founding President, NEOM University**

NEOM University, embedded within the visionary NEOM project, serves as a hub for innovation, advancing renewable energy, smart grids, and AI-driven infrastructure essential for achieving sustainability goals.

In addition, KACST is a national hub for research, innovation, and sustainable development, serving as a technical reference for government and private sectors. It drives progress by conducting research, localizing technologies, and supporting talent through technology parks, incubators, and Accelerators. KACST addresses key challenges while turning ideas into startups and advancing deep technologies.

Together, these designated leaders bridge research and application, contributing significantly to Saudi Arabia's sustainable development vision.

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2- Co-Design and Co-Implement

A key component of the governance structure, in which it relies on a collaborative approach, involving representatives from the offices of the Co-Chairs. These representatives, known as Sherpas, translate strategic directives into detailed operational plans and ensure alignment between strategy and implementation. They play a critical role in bridging high-level strategies with ground-level actions.

This group is represented by the Sherpas:

- **Dr. Khalid AlDakkan, Senior Vice President for STP, representing KACST.**
- **Dr. Donal Bradley, Vice President for Innovation and Research, representing NEOM University.**

3- Enable and Drive

An integral element of the governance structure, they manage the day-to-day implementation of the Accelerator's activities, ensuring effective execution and operational success. They coordinate closely with both Sherpas and the Accelerator members, manage resources, and maintain continuity through transitions and progression of the initiative.

This group is represented by the Initiative enablers:

- **Dr. Ahmad Aljadaan, RDIA's Initiative enabler.**
- **Sriharsha Masabathula, WEF's Accelerator Coordinator.**
- **Dr. Ahmed Khoja, RDIA's Technical Advisor.**



The Research, Development and Innovation Authority (RDIA) and the World Economic Forum (WEF) offer a complementary blend of local expertise and global outreach. RDIA, as the steward of Saudi Arabia's national RDI strategy, ensures that the Accelerator's aspirations are seamlessly integrated with the Kingdom's long-term development goals. Simultaneously, the WEF amplifies the Accelerator's reach by connecting it to an expansive global network of experts, best practices, and multi-stakeholder partnerships. This dual approach guarantees that the Accelerator is both reflective of local priorities and enriched with international insights, driving effectiveness and enhancing its scope for impact.

4- Commit and Implement

A vital component of the governance structure, this group consists of over 30 members from various sectors, including public, private, and academia. This group is essential in actualizing the Accelerator's outcomes, ensuring that strategic plans materialize into impactful actions and sustained progress.

Cognitive Cities	Cognitive Cities/Net Zero Emission	Net Zero Emission

Summary:

This phase lays the foundation for a robust and collaborative framework to ensure the effective implementation of the Accelerator's objectives.

Phase 2: Identifying and Prioritizing New Markets

In the second phase of the Markets of Tomorrow Accelerator, the focus shifts to identifying and prioritizing high-potential markets that are in alignment with our mission and the objectives outlined in Saudi Vision 2030. Utilizing insights from the World Economic Forum (WEF) and conducting in-depth country-level analyses, markets and submarkets are defined, evaluated, and sized to strategically guide its efforts.

Key Activities and Outcomes



Markets Prioritization

The process of selecting priority markets began with a collaborative workshop involving all Accelerator members. This interactive session led to the identification of 19 potential markets groups, 12 market groups for Net Zero Emission and 7 market groups for Cognitive Cities; chosen based on emerging technologies and key sectors critical to the region's development. To refine the initial list, a targeted consultation was undertaken to prioritize these market groups based on their readiness, assessing the presence of necessary conditions in Saudi Arabia, including R&D capabilities, productive capacity, demand, complementary infrastructure, and other crucial conditions, as well as their potential for substantial impact.

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Market Group Identification

Following the stakeholders consultation, two market groups were identified along with their complementary markets.

Sustainable Building Systems and Product

This market group focuses on innovations that enhance building sustainability through energy efficiency and reduced environmental impact with eco-friendly materials, smart systems, and resource management solutions.

Potential markets include:

- Building Envelope Systems
- Low-Emission Materials
- Smart Building Systems
- Sustainable Resource Management

Smart City Solutions

This market group focuses on technologies that enhance urban sustainability, efficiency, and livability, including smart grids, data analytics, and intelligent transport systems.

Potential markets include:

- Smart Grids
- Urban Planning Platforms
- Sustainable Mobility Solutions

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Market Growth Potential

To evaluate and quantify emerging market groups, market sizing study was undertaken. This study serves as a foundation for developing targeted actions and enabling informed decision-making to strengthen public-private partnerships. Furthermore, it offers projections for the evolution of the two targeted market groups, providing quantitative estimates for their growth potential by 2030.

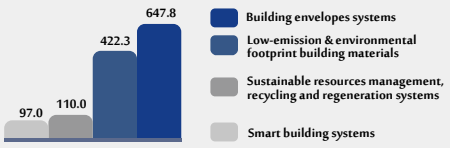
Methodology for the market sizing: Due to the niche and evolving nature of the markets, detailed data on the overall market size is continually developing. This report adeptly navigates these challenges by employing a rigorous market sizing methodology that aggregates data from relevant sub-markets. For the markets where comprehensive market reports were unavailable, the analysis further segmented these markets, combining data from multiple sources to accurately estimate their overall sizes. This approach, designed to offer a well-informed perspective, ensures a robust estimation of the market size for the two distinct market groups. Data from 32 market reports were utilized to determine the global and KSA market sizes for both market groups. These figures were then combined to estimate the total market size for each group.

Sustainable Building Systems & Products

Global

USD 1.28 Tr

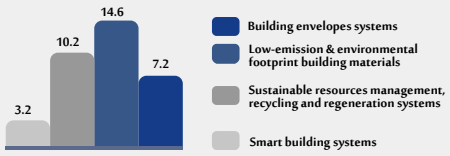
Global Market Size of Sustainable Building Systems & Products 2023



KSA

USD 35.2 Bn

KSA Market Size of Sustainable Building Systems & Products 2023

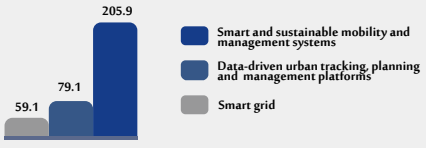


Smart City Solutions

Global

USD 344.1 Bn

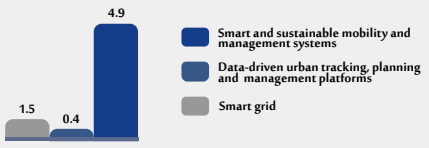
Global Market Size of Smart City Solutions 2023



KSA

USD 6.7 Bn

KSA Market Size of Smart City Solutions 2023



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Saudi and the Global Market

Sustainable Building Systems & Products:

- **Global Market Size:** The market in 2023 stands at $1.28 trillion, dominated by markets like building envelope systems ($647.8 billion) (Kaitwade 2023; The Insights Partners, 2024; Gorade 2024; IMARC Group, 2024; Research Dive, 2023) and Low-emission & environmental footprint building materials ($422.3 billion) (Fortune Business Insights, 2024).
- **Saudi Market Size:** The market size is $35.2 billion, accounting for 2.75% of the global market. Low-emission & environmental footprint building materials is leading, valued at $14.6 billion (Prescient & Strategic Intelligence, 2024), followed by Sustainable Resources management, recycling and regeneration systems at $10.2 billion (Techsci Research, 2024; Techsci Research, 2024; Techsci Research, 2024).



The Saudi market reflects global trends towards environmental sustainability but operates on a smaller scale. The relatively low share indicates significant growth opportunities, particularly in advanced building technologies and sustainability focused materials.

Smart City Solutions:

- **Global Market Size:** The market in 2023 is $344.1 billion, driven primarily by Smart and sustainable mobility and management systems ($205.9 billion) (Precedence Research, 2024; Fortune Business Insights, 2024; Fortune Business Insights, 2024).
- **Saudi Market Size:** The market is $6.7 billion, representing 1.94% of the global market. Smart and sustainable mobility and management systems dominate the market group, contributing $4.9 billion (Grand View Research, 2024; Invest Saudi, 2020; Markets & Data, 2024).

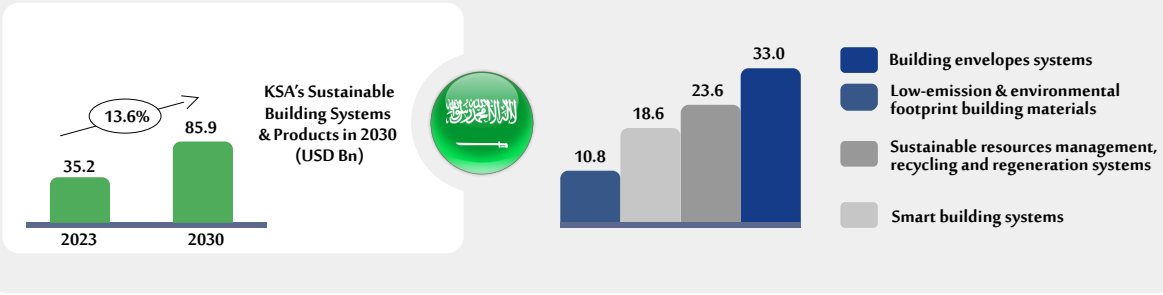


While Saudi Arabia's share in smart city solutions is developing, the focus on Smart and sustainable mobility and management systems reflects its commitment on advancing smart mobility solutions as part of its broader vision to enhance urban livability and sustainability.

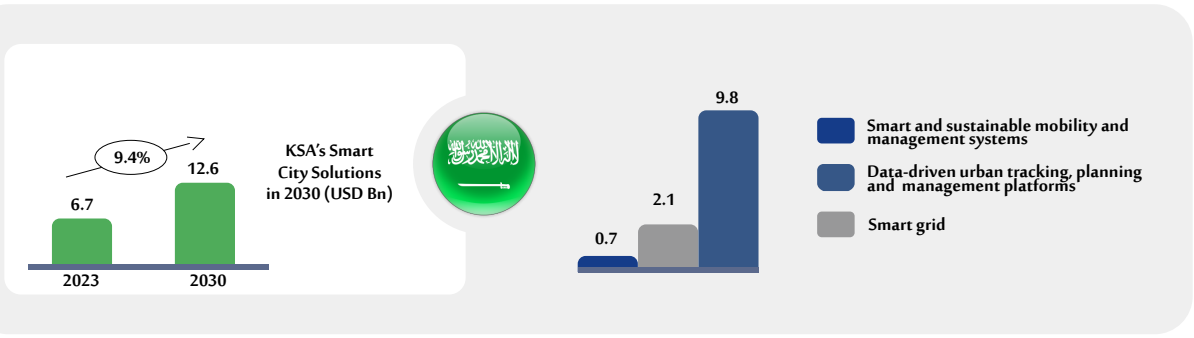
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Saudi Market Projections

Sustainable Building Systems & Products



Smart City Solutions



Sustainable Building Systems & Products:

- **Market Group Growth:** It is expected to grow from $35.2 billion in 2023 to $85.9 billion in 2030, achieving a 13.6% annual growth rate.
- **Markets Growth:** By 2030, Low-emission & environmental footprint building materials is projected to lead by reaching $33 billion (Prescient & Strategic Intelligence, 2024).

This forecasted growth reflects Saudi Arabia's emphasis on environmental sustainability as a core pillar of Vision 2030. The increasing demand for energy-efficient construction and smart technologies is expected to drive investments and innovation in these areas.

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Smart City Solutions:

- **Market Group Growth:** It is projected to increase from $6.7 billion in 2023 to $12.6 billion by 2030, growing at an annual rate of 9.4%.
- **Markets Growth:** Smart and sustainable mobility and management systems are projected to continue to dominate the market group, contributing $9.8 billion by 2030 (Grand View Research, 2024; Invest Saudi, 2020; Markets & Data, 2024).



The steady growth highlights Saudi Arabia's commitment to enhancing smart and sustainable mobility and management systems, which are essential for modernizing urban infrastructure and improving city management practices. This trend reflects a strategic focus on leveraging technology to increase efficiency and sustainability in urban environments.

Key Insights:



By 2030, Saudi Arabia's combined market value for these market groups is forecasted to surpass $98 billion, demonstrating significant progress toward becoming a regional leader in sustainable development and smart technologies.



The selected market groups are inherently interconnected and likely to converge over the long term, with growth in one directly influencing and driving advancements in the other. This synergy highlights how sustainable building systems & products and smart city solutions complement each other in fostering innovation, efficiency, and sustainability within urban development.

Summary:

This phase establishes a structured approach to market prioritization, ensuring alignment with the Accelerator's vision of fostering smarter cities and achieving net-zero emissions. By targeting impactful markets and submarkets, the initiative sets the foundation for meaningful innovations and sustainable growth toward achieving our country's ambitious 2030 vision.

Phase 3: Conducting a Current State Assessment

Building on the outcomes of Phase 2, which focused on identifying key market groups, Phase 3 of the Markets of Tomorrow Accelerator proceeds with entailing a in-depth analysis of the current state of the selected market groups within Saudi Arabia. This phase includes both quantitative and qualitative assessments—quantitatively evaluating the markets from a data and analytical perspective, and qualitatively through sectoral lens consultations with Accelerator members. Utilizing the structured framework provided by the World Economic Forum (WEF) Playbook, this phase meticulously evaluates key challenges for market creation, recent developments, and opportunities.

Key Activities and Outcomes

1- Identifying the Accelerator objectives:



The first step in the current state assessment is identifying the key objectives, which serve as pathways to unlock and scale new markets. These objectives were developed in collaboration with the World Economic Forum (WEF). The Forum's Markets of Tomorrow framework and insights played a crucial role in defining the objectives aimed at accelerating market creation and growth.

- **Shaping a Dynamic Public Sector to Co-Shape New Markets:** Transitioning from a perception of the public sector as "burdensome bureaucracy" to a dynamic role where it acts as a co-creator of new markets, fostering innovation and economic growth.
- **Building Values-Driven Public-Private Partnerships:** Shifting from market systems that prioritize unsustainable practices to those built on collaborative public-private partnerships to drive long-term value.
- **Supporting Entrepreneurship to Scale up New Markets:** Transforming from resource-restricted legacy markets to a system that supports entrepreneurship and fosters collaboration to drive demand and expand emerging, innovative markets.
- **Reforming Finance for Sustainable Market Creation:** Evolving from short-term-focused investment models to those emphasizing patient, mission-driven innovation to foster future market development.

Each objective is underpinned by a set of indicators, and their assessment provided insights into the current state of these objectives.

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Defining Key Indicators for Objective Assessment

Shaping a dynamic public sector to co-shape new markets

Prevailing narrative around the mandate and value of public administration



The responsiveness and adaptability of the public sector to the needs and perceptions of the private sector and society at large.

Quality of human capital and HR practices in public administration



The effectiveness of the public sector in attracting, developing, and retaining skilled and talented individuals, and the strategies and practices employed to manage and enhance the workforce's capabilities and performance.

Incentive structures around decision making in public administration



The rewards and evaluations that motivate government employees to make certain choices, especially in spending and policy-making. It determines if the government rewards taking risks and being innovative or favors more traditional approaches.

Rules and regulations around decision making in public administration



This force assesses how the existing rules and regulations affect the ability of public sector employees to make decisions that are innovative and adaptive. It questions whether the current legal and procedural environment supports or restricts risk-taking, experimentation, and learning from experience.

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Building values-driven public-private partnerships

Costs and regulation for market entry



It examines the financial and regulatory environment that affects new businesses and products entering the market. This force is crucial for understanding the ease or difficulty with which entrepreneurs and companies can launch new ventures and bring innovations to consumers.

Competition ecosystem



The set of laws and mechanisms that regulate business competition to ensure a level playing field for all companies, whether they are established players or newcomers. This force assesses whether anti-competition laws are effective in promoting fair competition and whether there are specific measures to prevent anti-competitive behavior in projects that involve public sector investments, such as PPPs.

Finance availability (equity & debt)



It focuses on the accessibility and structure of financial resources for businesses, particularly those attempting to enter new markets. This force examines how easy it is for these new entrants to secure the necessary capital, whether in the form of equity or debt, to start and grow their operations. Should examine if financing is mainly available from the government or the private sector.

Skills mis-match and talent availability



The availability of high-quality talent capable of contributing to growth in innovative markets, the extent to which current skills meet these industries' needs, and the initiatives in place to bridge any gaps. It also considers whether educational institutions, such as universities, are providing the necessary training and knowledge to prepare students for opportunities in these sectors.

Entrepreneurial culture and management practices



The societal value placed on entrepreneurship and the collective efforts to foster an environment were starting and managing new businesses is encouraged and supported. This force examines the public perception of entrepreneurship, the presence of government and private sector initiatives to promote entrepreneurial skills, and the availability of support systems for entrepreneurs and new market entrants such as; educational programs, networking events, funding opportunities, etc.

Dynamism of incumbent producers



The measure of how actively existing companies are engaging in innovation and exploring new opportunities. This force looks at the investment patterns of these companies in terms of entering new markets and developing new products, as well as their commitment to research and development. It also considers whether there are incentives that encourage such forward-looking behavior and if these investments are in line with broader societal goals and the country's strategic objectives.

Government-led investment



It is how the government spends money to support important services like health, education, national security and to help new industries grow. It includes actions to make people and businesses more interested in new products and technologies, using strategies like buying these products, giving financial incentives, and investing directly in new markets.

Knowledge diffusion & technology transfer



The ways in which expertise, skills, and new technologies are shared across different businesses and sectors. It includes the establishment of partnerships and platforms that help companies, especially smaller ones and those just starting out, to access and benefit from shared knowledge and innovations.

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Supporting entrepreneurship to scale-up new markets

Directionality of investments

The guiding principles and objectives that shape where and how public and private funds are invested through PPPs. It examines whether investment decisions are influenced by factors such as social impact, economic growth, sustainability, and alignment with national goals.

Conditionalities for public investments

The set of criteria and stipulations that public entities impose on the allocation of funds and support to private companies and PPPs. These conditionalities are designed to steer corporate practices and partnerships towards achieving specific policy goals, such as environmental sustainability, social equity, or technological innovation.

Costs and reward structures

The financial frameworks within PPPs that outline how costs, risks, and rewards are shared between public and private partners. It involves analyzing whether these structures are guided by clear principles or guidelines that aim to balance interests, ensure fair risk allocation, and promote successful outcomes.

Accountability and transparency

The standards and practices that ensure Public-Private Partnerships (PPPs) are established and operated in a manner that is open, clear, and fair to all stakeholders involved. This force is essential for maintaining public trust in PPPs by ensuring that these partnerships are formed and managed according to principles that promote efficiency, fairness, and the public good.

Private sector governance models

This force looks at how companies are changing their governance to benefit society, especially when creating new technologies and business models. It also examines whether there are ways to measure and value economic activities that impact society but aren't fully captured by market prices, and if there are standards and taxonomies to support these governance models.

Funding mechanisms of PPPs

The methods and tools used to provide financial resources for Public-Private Partnerships. This force explores the different approaches and instruments, such as loans, bonds, equity investments, and grants, that are employed to support the development and operation of PPP projects.

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Reforming finance for sustainable market creation

Government-funded research and regulations



The government's role in providing financial support for long-term research and development through dedicated funding mechanisms and regulatory support. It involves assessing whether there are specific institutions or programs focused on financing R&D and whether these entities are geared towards supporting research with long-term implications.

Business governance and practices



The strategies and decision-making processes of companies regarding long-term investments, particularly in R&D. It questions whether businesses are investing in initiatives that have long-term benefits and whether they take a longer-term view when planning their investments.

Availability of funding and financing mechanisms



The presence and accessibility of financial institutions and instruments, such as innovation funds, angel investors, and venture capital, that offer long-term investment to support the development of new products and markets. This force assesses the maturity of these financial sources and how easily businesses can access them.

Finance industry practices



It is how financial institutions allocate investments, considering the length of the investment and whether it matches long-term national and social goals. This force looks at whether the industry favors quick profits or supports long-term projects, and it involves analyzing investment data to see the focus on short-term versus long-term commitments.

2- Quantitative Analysis

The quantitative analysis focuses on the indicators shaping the four objectives, based on WEF datasets and reports. Screening of WEF reports was conducted, followed by desktop research to identify additional sources for assessing KSA's current position. Other relevant reports were incorporated into the analysis. Metrics from the identified reports were extracted and mapped to the Indicators driving market creation. A three-step approach was used to score each force, assessing the state of each key pathway to identify which Indicators are driving or need improvement for market creation. This process allowed us to shortlist the indicator most critical for leading market creation.

ASSESSMENT OF INDICATORS WAS CONDUCTED

Shortlist Indicators based on performance across key indicators

LIST OF INDICATORS WAS FINALIZED

Identify the final list of Indicators to be tackled on the action plan with the input of Subject Matter Experts

Strong Performing Indicators

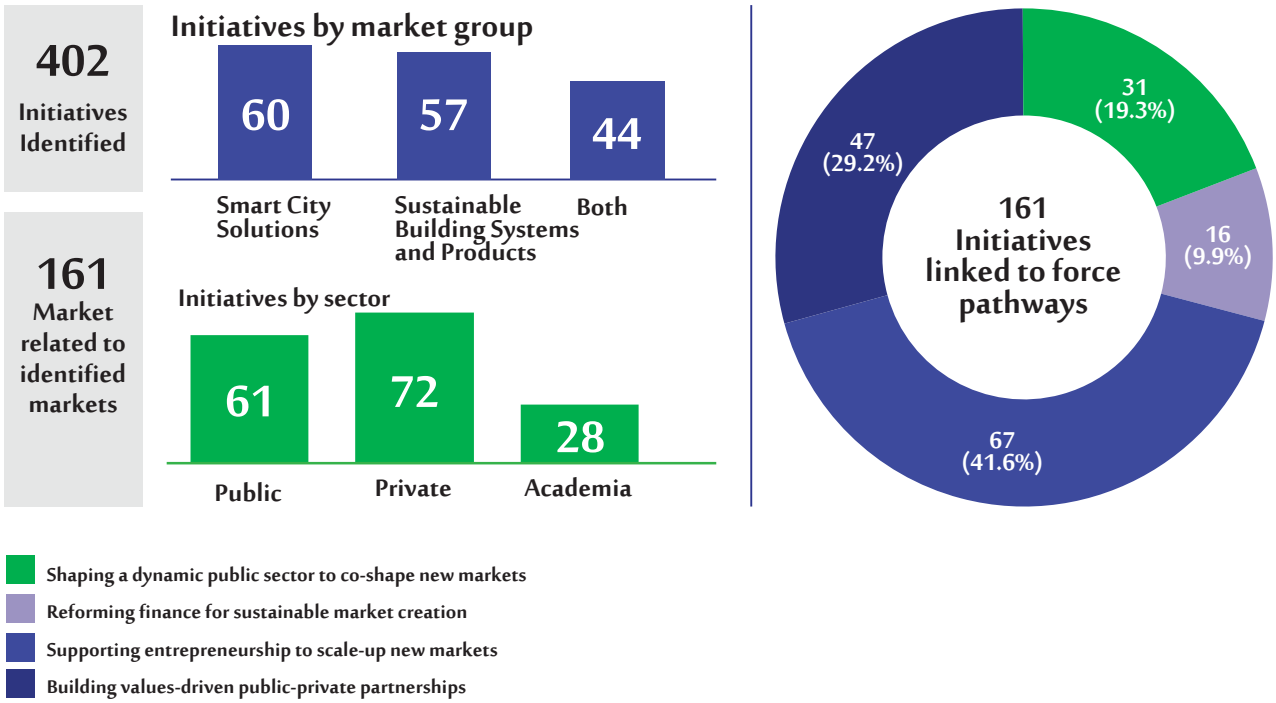
- Prevailing narrative public mandate & administration value
- Quality of human capital & HR practices in public administration
- Private sector governance models
- Entrepreneurial culture and management practices
- Government-led investment

Weak Performing Indicators

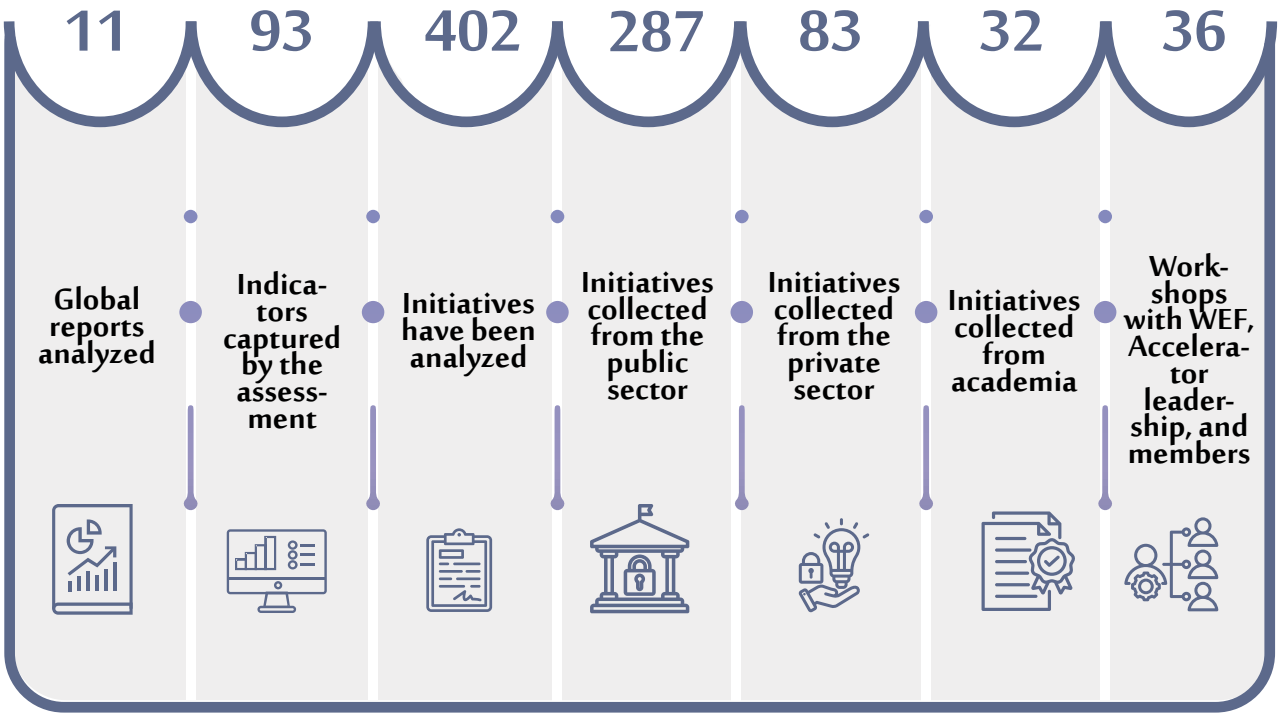
- Rules & regulations of decision-making in public administration
- Directionality of investments
- Skill mis-match and talent availability
- Government-funded research and regulations
- Knowledge diffusion & technology transfer

3- Qualitative Analysis

Complementing the quantitative analysis, the qualitative analysis employs a sectoral lens to further enhance the understanding of market conditions. This analysis focuses on consultation workshops and input from subject matter experts. Initiatives gathered from member strategies are further enriched through secondary data analysis, creating a comprehensive database of public, private and academia sector efforts.



The comprehensive assessment successfully synthesized data from multiple sectors, showcasing significant achievements in aligning efforts with strategic objectives. This robust analysis underscores the successful collaboration and effective progress towards achieving the set goals.



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A comprehensive assessment of the markets, incorporating both quantitative and qualitative perspectives, led to the following key findings

TOP PERFORMING

Prevailing Narrative on Public Mandate & Administration Value	Governance effectiveness drives high-quality public services, sound policies, and credible administration, ensuring robust public sector performance, with initiatives actively shaping its contribution to new markets development.
Quality of Human Capital & HR Practices in Public Administration	Human capital and well-established career development systems enhance policy implementation and strengthen public sector capabilities with support through targeted initiatives.
Private Sector Governance Models	Governance frameworks prioritize gender diversity, inclusivity, and strategic partnerships to support sustainable economic growth, although limited initiatives currently feed into governance model enhancements.
Entrepreneurial Culture and Management Practices	Entrepreneurial ecosystems thrive with cultural encouragement, risk-taking, and societal backing, fostering innovation and early-stage business activities with initiatives addressing gaps in emerging sectors.
Government-Led Investment	Government programs, financial support, and subsidies empower entrepreneurial ventures to create a dynamic startup ecosystem, creating a pioneering and sustainable ecosystem.

LOW PERFORMING

Rules & regulations of decision-making in public administration	Decision-making processes in public administration require optimization to enhance transparency, reduce administrative burdens, and better support market-creating initiatives.
Directionality of investments	Investment mechanisms must improve coordination and leverage informal networks to provide broader financial and advisory support for strategic sectors, although a high number of initiatives are working to address weak areas.
Skill mis-match and talent availability	Skill alignment initiatives should focus on addressing gender disparities, enhancing entrepreneurial education, and fostering talent availability to meet market demands.
Knowledge diffusion & technology transfer	Knowledge-sharing mechanisms must be leveraged to strengthen partnerships between universities and industries, improve access to technology, and enhance R&D transfer efficiency with numerous existing initiatives targeted to improve this force.
Government-funded research and regulations	Active government support for R&D through funding and regulatory facilitation exist, these efforts require ongoing refinement and alignment with global best practices in R&D funding and regulatory support to maximize impact.

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Harnessing the strong indicators identified in the assessments to strategically strengthen and enhance the low-performing indicators



SHAPING A DYNAMIC PUBLIC SECTOR TO SHAPE NEW MARKETS

The public sector's role and value are well-recognized, and the workforce is strong. However, better rules and regulations could help create new markets faster.

01



BUILDING VALUES-DRIVEN PUBLIC-PRIVATE PARTNERSHIPS

The private sector is improving its governance to create partnerships that benefit society. While investment focus is currently low, there are efforts to strengthen it. Progress can be boosted by encouraging dialogue, conferences, knowledge-sharing, and joint projects between academia, the private sector, and the public sector.

02



SUPPORTING ENTREPRENEURSHIP TO SCALE-UP NEW MARKETS

Government investments and strong entrepreneurial practices are fostering the creation of new markets. To sustain this momentum, addressing skill gaps and enhancing access to talent are critical. Additionally, facilitating knowledge sharing and technology transfer can further accelerate market development.

03



REFORMING FINANCE FOR SUSTAINABLE MARKET CREATION

The financial ecosystem is prosperous and dynamic, with accessible innovation funds, venture capital, and long-term investment. Increasing support for long-term research and improving regulations can boost innovation and help create new markets, keeping all sectors aligned and moving forward.

04

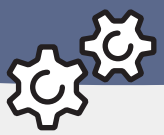
Summary

The third phase of the Accelerator culminated in a comprehensive understanding of market conditions, achieved through an integration of quantitative data and qualitative insights. This thorough assessment was crucial in identifying pivotal challenges and emerging opportunities, setting the stage for informed strategic actions. The insights garnered during this phase provides a robust foundation for formulating targeted actions designed to accelerate markets and propel the Accelerator's objectives forward.

Phase 4: Develop a detailed list of recommended actions for accelerating the two targeted markets in Saudi Arabia

Finalizing the Accelerator with the fourth phase, this milestone identifies key recommended actions to address challenges uncovered during the current state assessment, emphasizing scalability and market acceleration. This process was developed collaboratively with inputs from all members and endorsed by the Accelerator leadership.

Key Activities and Outcomes



Preliminary Actions

To ensure the recommended actions are systematically structured and aligned with the overarching objectives of the accelerator, the fourth phase was built around key guiding principles. These include synergies, which leverage the integration of recommended actions with existing initiatives to maximize impact; sustainability, focusing on actions that are scalable and adaptable for long-term application; ownership, to identify relevant stakeholders for the execution of each action; and financial viability, considering and planning the funding needs of each recommended action.

Member Collaboration

To effectively harness Accelerator member expertise, in-depth consultations with members has been conducted. This crucial process allows for the refinement and selection of strategic actions, ensuring that efforts are in sync with collective goals.

Leadership Approvals

To ensure all proposed actions align with the Accelerator objective, each action undergoes a critical review by the Accelerator leadership. This endorsement confirms relevance and potential impact, securing a solid foundation for successful implementation.

After establishing guiding principles, the Accelerator pinpointed key areas of improvement, laying the foundation of the recommended actions. to address the challenges identified in the current state assessment. These areas are designed to address the challenges identified during the current state assessment and catalyse market growth.



The initial step in creating the action plan is to develop an action plan matrix. This process involves the following:

- Introducing the five categories that will serve as crucial elements within the matrix.
- Constructing an action plan matrix that aligns objectives with the suggested areas of improvement.

Introducing the five categories that will serve as crucial elements within the matrix

This step marks the beginning of the action plan, playing a pivotal role in shaping the action plan matrix. The categories outlined below represents the key areas of recommended actions, addressing the challenges identified in the current state assessment and laying the foundation of the proposed actions.

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The recommendations are to be grouped within the following five categories:

Adopting new public sector capabilities to enable new market creation

The enhancement of public sector capabilities through the adoption of advanced technologies, innovative methodologies, and dynamic operational frameworks.

Deploying new models and formats of public-private partnerships

The establishment of innovative collaboration frameworks between public and private entities to jointly address complex societal challenges, foster economic growth, and catalyze sustainable development.

Harmonizing financial & technical processes to enable sustainable markets and/ or entrepreneurship

The alignment and optimization of financial systems, policies, and standards to facilitate the growth of sustainable markets and entrepreneurial activities.

Establishing policies, procedures, or frameworks to enable new markets

The design and implementation of comprehensive policies, standardized procedures, and strategic frameworks that create a conducive environment for the emergence and growth of new markets.

Mobilizing new funding or subsidies for new markets, entrepreneurship, and/or finance

The strategic allocation and mobilization of financial resources, including grants, subsidies, and innovative funding mechanisms, to stimulate long-term finance for the development of new markets and entrepreneurial ventures.

To effectively align these areas of recommended actions with the pivotal indicators that require enhancement identified during the current state assessment, a matrix was developed. This methodical alignment ensures that each action is precisely focused on mitigating identified gaps and leveraging opportunities for substantial impact, thereby streamlining the process of transforming challenges into drivers of growth and sustainability.

Areas of Recommended Actions

Objectives	Adopting new public sector capabilities to enable new market creation	Deploying new models and formats of public-private partnerships	Harmonizing financial processes to enable sustainable markets and/ or entrepre-neurship	Establishing policies, procedures, or frameworks to enable new markets	Mobilizing new funding or subsidies for new markets, entrepreneurship, and/or finance
Shaping a dynamic public sector to co-shape new markets					
Supporting entrepreneurship to scale-up new markets					
Building values-driven public-private partneship					
Reforming finance for sustainable market creation					

Outcomes

The structured matrix has resulted in a robust set of actions that effectively address critical challenges, significantly enhancing the Accelerator's capacity to drive market acceleration.

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RECOMMENDATIONS FOR ACCELERATING THE TWO TARGETED MARKETS IN SAUDI ARABIA

In collaboration with all relevant stakeholders, a list of recommended actions has been developed.
The recommended actions address the gaps highlighted in the current state assessment, driving the acceleration of the two targeted markets in Saudi Arabia.



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Highlight the culmination of the thorough analysis, this final section outlines recommended actions developed in collaboration with all relevant stakeholders. These actions are crafted to convert identified challenges into opportunities, guiding the Accelerator toward its goals of market innovation and sustainable growth. Each action is meticulously detailed to ensure precise implementation and to drive acceleration of the two targeted market groups in Saudi Arabia.

Given the strong interconnection between the two markets, enhancing one is likely to simultaneously benefit the other. Consequently, the recommended actions have been specifically formulated to address the shared gaps identified in both markets, aiming to accelerate progress in both markets.

PROPOSED ACTIONS

- Support virtual internships in smart infrastructure with government-backed scholarships
- Collaborate with universities to design a market-entry readiness program for local talent
- Provide public and professional training in regenerative smart and resilient built environment
- Develop sector-specific investment dashboards to monitor capital flows and assess alignment with strategic goals
- Enhance and govern standards for smart and sustainable urban development
- Explore facilitating investment in talent development, knowledge exchange to advance technology transfer
- Foster pilot implement-tation of sustainability standards in public infrastructure
- Foster public-private collaboration with a grant program for R&D
- Establish a funding pool for start-ups, SME's and MNC's aligned with national goals
- Create a technology transfer incentive program
- Create a co-investment platform for public-private partnerships
- Set-up dedicated funding mechanisms and regulatory support to boost long-term research and development
- Host the World Council for Smart and Resilient Buildings and Built Environment
- Establish a cross-sector observatory portal for data sharing and activity coordination
- Cooperation with national and international certification and standardization bodies
- Develop a regulatory sandbox for innovative urban technologies
- Support the cooperation and coordination of public initiatives toward zero emissions and cognitive urban environments
- Create and maintain a national database for product circularity and environmental footprints
- Improve informal investment through dialogues, conferences, knowledge exchange meetings, and co-developing projects
- Coordinate research on smart and regenerative urban environment
- Support launching bonds aimed at funding training programs focused on upskilling local talent
- Launch a public-sector financial benchmarking initiative to align financial regulations with global best practices
- Emerging technologies integration labs
- Provide targeted subsidies to businesses adopting cognitive urban environments and zero-emission technologies

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Mapping the existing initiatives covering each market to actions

Short-term — 6 months to 1 Year

Mid-term — 1 Year to 3 Years

Long-term — More than 3 years

SHORT TERM ACTIONS

6 months to 1 year

Host the World Council for Smart and Resilient Buildings and Built Environment	Organize and host a global forum or council that brings together experts, policymakers, and industry leaders to discuss, develop, and promote practices and policies that enhance the resilience and intelligence of buildings and the broader built environment.
Establish a cross-sector observatory portal for information sharing and activity coordination	Create a comprehensive digital portal that connect and disseminate information from multiple sectors about the initiatives and advancements related to the targeted markets. Hence, facilitating broad information sharing and the coordination of activities across industries and entities. This platform aims to support urban planners, policymakers, and cross-sector stakeholders by providing a holistic view of market dynamics.
Cooperation with national and international certification and standardization bodies	Collaborate with both national and international organizations responsible for setting standards and certifications to align domestic standards with global best practices, ensuring consistency, interoperability, and quality in smart urban development.
Develop a regulatory sandbox for innovative urban technologies	Create a collaborative open environment for formulating and testing standards in the targeted markets, enabling collaboration between public and private sectors to shape frameworks that guide the development of smarter, more resilient, and sustainable urban solutions.
Support the cooperation and coordination of public initiatives toward zero emissions and cognitive urban environments	Promote and facilitate joint initiatives between public entities to advance towards zero-emission targets and develop cognitive urban environments that utilize data and technology for adaptive, efficient urban management.
Create and maintain a national database for product circularity and environmental footprints	Develop a comprehensive national database that tracks and analyzes the circularity of products and their environmental and carbon footprints, providing evidence-based insights to inform policies and practices for sustainable and smart production and consumption of building materials and products.
Improve informal investment through dialogues, conferences, knowledge exchange meetings, and co-developing projects	Enhance investment in smart and sustainable urban solutions by fostering informal engagement through dialogues, conferences, and knowledge exchanges that facilitate collaboration and co-development among stakeholders.
Coordinate research on smart and regenerative urban environment	Synchronize research efforts focusing on developing smart cognitive and regenerative urban environments that restore natural systems and minimize ecological footprints while enhancing urban living conditions.

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MID TERM ACTIONS

1 year to 3 years

Collaborate with universities to design a market-entry readiness program for local talent	Partner with educational institutions to develop programs that equip local talent with the skills, knowledge and resources needed to enter and thrive in emerging markets, including mentorship, regulatory framework navigation, accessing funding, and exposure to practical industry case studies.
Create a technology transfer incentive program	Develop a program to encourage companies to share innovative technologies, especially those with significant environmental and economic benefits. Through tax breaks and financial incentives, businesses are motivated to collaborate and disseminate innovations, fostering the widespread adoption of new technologies across sectors.
Foster public-private collaboration with a grant program for R&D	Establish a grant program that matches public funds with private investment in R&D for smart city solutions and sustainable technologies, reducing financial risks and fostering technology transfer.
Set-up dedicated funding mechanisms and regulatory support to boost long-term research and development	Establish specialized funding sources and regulatory frameworks that encourage and facilitate sustained research and development in smart urban technologies and sustainable practices.
Enhance and govern standards for smart and sustainable urban development	Develop and implement a framework of standards to guide the creation, accreditation and management of smart and sustainable urban areas, ensuring they are built and operated in ways that are technologically cognitive, climate resilient, environmentally friendly, economically viable, and socially inclusive.
Provide public and professional training in regenerative smart and resilient built environment	Offer specialized training programs that educate both the general public and professionals about the principles and applications of regenerative, smart, and resilient technologies in urban development. This aims to increase expertise in sustainable urban practices and reduce the skill-mismatch.
Foster pilot implementation of smart, resilient and sustainability standards in public projects (light house effect	Initiate testing local smart and sustainability standards at pilot public projects to achieve a light house effect, providing a testbed to evaluate the effectiveness of these standards in real-world settings and leading the private sector by example.
Establish a funding pool for start-ups, SME's and MNC's aligned with national goals	Set up a funding pool to support start-ups, SMEs, and MNCs that align with national strategic objectives, offering financial incentives like grants tied to the country's development goals to maximize impact.

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Create a co-investment platform for public-private partnerships	Establish a platform that pools resources from both sectors to fund strategic projects, enhancing collaboration, resource allocation, and investment alignment with shared strategic goals.
Explore facilitating investment in talent development, knowledge exchange to advance technology transfer	Investigate ways to support investments in building and enhancing talent through education and training, and foster knowledge exchange to facilitate the transfer of advanced technologies between academia, industry, and public entities.
Develop sector-specific investment dashboards to monitor capital flows and assess alignment with strategic goals	Create dashboards to provide real-time data on investment flows, project progress, and strategic alignment, serving as a decision-making tool for stakeholders and enhancing transparency and informed investment decisions.
Support virtual internships in smart infrastructure with government-backed scholarships	Facilitate virtual internships in smart infrastructure, allowing participants to gain hands-on experience through simulated real-world projects, harmonizing educational investments with job market needs while reducing training costs.

LONG TERM ACTIONS

More than 3 years

Emerging technologies integration labs	Establish labs dedicated to integrating artificial intelligence (AI) and the Internet of Things (IoT) into public services, testing and refining policies for AI and IoT applications in urban settings to improve efficiency and responsiveness.
Provide targeted subsidies to businesses adopting cognitive urban environments and zero-emission technologies	Offer subsidies focused on businesses that adopt specific technologies enhancing urban living standards and contributing to sustainability goals. This supports the acceleration of sustainable technology adoption and fosters a regulatory framework that rewards compliance with national development goals.
Launch a public-sector financial benchmarking initiative to align financial regulations with global best practices	Assess and align financial practices, regulations, and frameworks with global best practices to enhance financial transparency, streamline regulations, and support entrepreneurship and market sustainability, drawing insights from the OECD and EU-Taxonomy regulatory policy outlook.
Support launching bonds aimed at funding training programs focused on upskilling local talent	Introduce bonds aimed at funding programs and facilities that upskill local talent in areas crucial for smart cities and sustainable building. Investors in these bonds would receive returns based on the economic outcomes (such as employment rates and productivity gains) achieved through these targeted educational initiatives.

PRIORITIZING THE ACTIONS THAT FALL UNDER EACH DURATION CATEGORY WITH THE MEMBERS OF THE WORKSHOP

Given the diverse expertise of over 30 members from the private, public, and academic sectors, their collective knowledge was leveraged during a workshop to prioritize the actions. Their input was instrumental in ensuring that the most impactful actions were prioritized.

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Based on member's input, prioritization has been conducted on the time of implementation of the actionable items

SHORT TERM ACTIONS

- 1st Develop a regulatory sandbox for innovative urban technologies
- 2nd Improve informal investment through dialogues, conferences, knowledge exchange meetings, and co-developing projects
- 3rd Create and maintain a national database for product circularity and environmental footprints
- 4th Establish a cross-sector observatory portal for data sharing and activity coordination
- 5th Support the cooperation and coordination of public initiatives toward zero emissions and cognitive urban environments
- 6th Host the World Council for Smart and Resilient Buildings and Built Environment
- 7th Coordinate research on smart and regenerative urban environment
- 8th Cooperation with national and international certification and standardization bodies

MID TERM ACTIONS

- 1st Collaborate with universities to design a market-entry readiness program for local talent
- 2nd Create a technology transfer incentive program
- 3rd Foster public-private collaboration with a grant program for R&D
- 4th Set-up dedicated funding mechanisms and regulatory support to boost long-term research and development
- 5th Enhance and govern standards for smart and sustainable urban development
- 6th Provide public and professional training in regenerative smart and resilient built environment
- 7th Foster pilot implementation of sustainability standards in public infrastructure
- 8th Establish a funding pool for start-ups, SME's and MNC's aligned with national goals
- 9th Create a co-investment platform for public-private partnerships
- 10th Explore facilitating investment in talent development, knowledge exchange to advance technology transfer
- 11th Develop sector-specific investment dashboards to monitor capital flows and assess alignment with strategic goals
- 12th Support virtual/ internships in smart infrastructure with government-backed scholarships

LONG TERM ACTIONS

- 1st Emerging technologies integration labs
- 2nd Provide targeted subsidies to businesses adopting cognitive urban environments and zero-emission technologies
- 3rd Launch a public-sector financial benchmarking initiative to align financial regulations with global best practices
- 4th Support launching bonds aimed at funding training programs focused on upskilling local talent

Short-term
6 Months to 1 Year

Mid-term
1 Year to 3 Years

Long-term
More than 3 Years

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CLOSING REMARKS



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FUTURE ASPIRATIONS FOR THE ACCELERATOR

The Markets of Tomorrow Accelerator Initiative: Pioneering Economic Growth in Saudi Arabia

The Saudi Arabia Markets of Tomorrow Accelerator is a transformative initiative designed to drive innovation, economic diversification, and sustainable development in alignment with Vision 2030. By fostering public-private collaboration, it unleashes the potential of the future markets. This initiative prioritizes high-impact markets that align with empowering entrepreneurs to scale transformative solutions, strengthen the Kingdom's global competitiveness, and leave a legacy of progress.

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WHAT SETS IT APART

Global Best Practices with a Localized Strategy

Close collaboration with the World Economic Forum (WEF), the initiative applies a structured approach to identify and scale emerging markets.

Strategies are tailored to Saudi Arabia's unique economic, social, and environmental landscape, leveraging its distinctive strengths to maximize impact.

Strong Governance Framework

A strong governance structure fosters clarity, accountability, and collaboration among stakeholders, ensuring efficient decision-making.

Data-Driven Insights and Research

The initiative integrates advanced data analytics and market research to identify high-potential opportunities and enable targeted, impact-driven planning.

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IMPACT OF THE RECOMMENDED ACTIONS

The implementation of the proposed actions builds upon the findings of the current state assess ment and is expected to deliver substantial impacts across the four key objectives.

SHAPING A DYNAMIC PUBLIC SECTOR TO SHAPE NEW MARKETS:

The public sector's strong workforce is recognized and its essential role in promoting market innovation. It also draws attention to the unique regulatory challenges presented by the emerging markets of Smart City Solutions and Sustainable Systems & Products. These markets are pioneering not only within the Kingdom but also on a global scale, leading to a nascent regulatory environment that is still adapting to their specific needs.
To effectively support the development of these innovative markets, the comprehensive set of actions are proposed to enhance regulatory frameworks, with regulatory sandboxes serving as a prime example. These sandboxes permit the testing of innova- tive approaches in a controlled environment, effectively bridging the gap between existing regulations and the operational demands of new markets. Focusing on such regulatory actions fosters a dynamic regulatory framework that advances in step with market innovations, thereby laying a robust foundation for sustainable growth and enhancing market stability.



BUILDING VALUES-DRIVEN PUBLIC-PRIVATE PARTNERSHIPS:

Advancements in governance and focused efforts to enhance investment are evident, highlighting the positive trajectory of the Kingdom's initiatives. While ongoing progress is observed, integrating the private sector more comprehensively is crucial to bolster the growth of targeted markets. This integration is essential for attracting foreign direct investment (FDI), creating employment opportunities, and enhancing synergies across public, private, and academic sectors. The proposed actions, therefore, focus on deepening public-private collaborations and initiating joint initiatives that deliver substantial societal and economic benefits. Through enhanced collaboration, expertise and resources can be effectively pooled, catalyzing innovation and accelerating market development.



SUPPORTING ENTREPRENEURSHIP TO SCALE-UP NEW MARKETS:

Government investments and entrepreneurial practices are propelling market creation, however there are critical skill and talent gaps, primarily due to the rapid pace of technological advancement and the emergence of new industries, which outstrip the current supply of qualified professionals. The proposed actions aim to bridge these gaps by enhancing workforce readiness to meet the increasing demands of these dynamic markets. Furthermore, the enhancement of platforms for knowledge sharing and the streamlining of tools for technology transfer will further bolster entrepreneurship. This, in turn, will contribute to sustained market growth and continuous innovation.



REFORMING FINANCE FOR SUSTAINABLE MARKET CREATION:

A prosperous financial ecosystem, marked by accessible innovation funds and venture capital, underpins the current market environment. Despite these strengths, there is a marked need for increased support for long-term research to sustain growth and adapt to emerging market challenges. The proposed actions, aimed at expanding funding pools and enhancing access to capital, will fortify financial support for burgeoning markets. These initiatives are intended to catalyze innovation, align financial strategies with sustainable growth, and enhance the markets' contribution to GDP, thus reinforcing long-term economic resilience.



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THE FORESEEN ECONOMIC IMPACT OF THE MARKETS OF TOMORROW ACCELERATOR

Empowering the Youth for Future Markets

This ensures a well-equipped workforce, reduces unemployment, and enhances economic productivity while fostering innovation and positioning the Kingdom as a leader in emerging industries.

Attracting Foreign Direct Investment (FDI)

Strengthened public-private partnerships and improved market governance create a favorable investment climate. Increased FDI brings capital, expertise, and new technologies, accelerating economic growth and generating high-value job opportunities.

Diversifying the Economic Base

Focusing on emerging markets like Smart City Solutions and Sustainable Products reduces Saudi Arabia's reliance on oil as a primary economic driver. By fostering innovation-driven sectors, the Kingdom builds a more diversified and resilient economy, better equipped to adapt to global shifts such as the transition to renewable energy sources.

Supporting Long-Term Economic Sustainability

Reforming financial systems to support innovation-driven industries ensures stable and sustainable growth. Expanding access to funding and aligning financial practices with the needs of emerging markets positions Saudi Arabia for long-term economic sustainability.

Strengthening Global Competitiveness

Enhancing regulatory frameworks and fostering public-private synergies strengthen Saudi Arabia's position in the global economic landscape. This promotes the Kingdom as a hub for innovation and sustainable development, attracting international partnerships and collaborations.

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