

Kingdom Of Saudi Arabia



Basic facts of Saudi Arabia:

Name: Kingdom of Saudi Arabia

Capital: Riyadh

Total Population (2010): 27.1 Million. Saudi Citizens 68.9% and Non-Saudi 31.1%

Currency: Saudi Riyal (SAR)

Exchange Rate: To USD: 1 USD = 3.75 SAR

To INR: 1 SAR = 17.87 INR (Approx)

Time Difference to India: 2 Hrs 30 Mins behind IST i.e. (If 14:30 Hrs in India, then 12:00 Noon same day in KSA)

Official Language: Arabic

Religion: Islam

Name of Head of State/Government: King Salman bin Abdulaziz Al Saud

Work force (2009): Total Labour force 8.61 million, Total employed 8.14 mln; 50% foreign workers

Location and Size:

The Kingdom of Saudi Arabia is approximately 2,250,000 square kilometers (about 70% of the size of India) bounded on the north by Jordan, Iraq and Kuwait; on the south by the Sultanate of Oman and Yemen; on the east by the Gulf, Bahrain, Qatar and the United Arab Emirates and on the west by the Red Sea.

Saudi Arabia has four main regions.

- **Najd**, the geographic center and political and cultural core, is a vast plateau that combines rocky and sandy areas with isolated mountains and wadi systems. Agricultural oases are the sites of villages, towns, and cities. This area's rangelands have long sustained nomadic pastoral production and are the homelands of the main Bedouin communities. Najd is bordered to the west by the regions of Hijaz and Asir along the Red Sea. A narrow coastal plain known as Tihama is predominant in the south, while a mountain chain with a steep western escarpment runs through these areas. The capital city of Riyadh is situated in this region
- **Hijaz** has strong and ancient urban traditions and is the location of Islamic holy cities of Mecca (Makkah) and Medina (al-Madinah), Port City Jeddah (population of ~4 mln); Taif - summer capital; and Yanbu - Industrial city and longtime port city. Hijaz has agricultural oases, and a history of tribally organized nomadic pastoralists.
- **Asir** has several cities and some nomadic presence, yet it is rural, with farmers living in settled communities largely organized in accordance with tribal and clan identities. The seaports of Hijaz and Asir also have populations traditionally oriented toward the sea, for trade or fishing, a characteristic they share with the Eastern Province.
- **al-Ahsa** (al-Hasa), is the largest oasis, watered by artesian wells and springs in the interior of the Eastern Province and provides dates and other crops. The Eastern Province is also the main source of oil wealth. Oil and gas wells, refineries and other processing and distribution plants, and the headquarters of the national oil industry are located there. Trade and urban centers have long existed in this area, but the Tricity complex of Dammam, al-Khubar, and Dhahran has been predominant since the 1960s, while Jubail is becoming a large industrial city.

Riyadh Capital City

Riyadh today is one of the fastest growing cities in the world. Since the 1970s (and the influx of ample oil revenue), the population has tripled. Riyadh is the country's capital as well as its financial and administrative centre. The Kingdom's capital boasts handsome hotels, fabulous fine-dining and cosy cafés. It's also got considerable culture, including a National Museum that numbers among the best in the region.

Riyadh Region is located in the centre of Saudi Arabia occupying 17% of the Kingdom's area and 22.63% of the Kingdom's population is based there. Riyadh's climate is hot and dry in summer, cold in winter. Riyadh is a privileged capital which is expanding dynamically to accommodate various inhabitants. It is linked to other Regions through a modern international airport. Riyadh is a great example of a modern city which improves services constantly while maintaining its cultural mark.

Climate of Saudi Arabia:

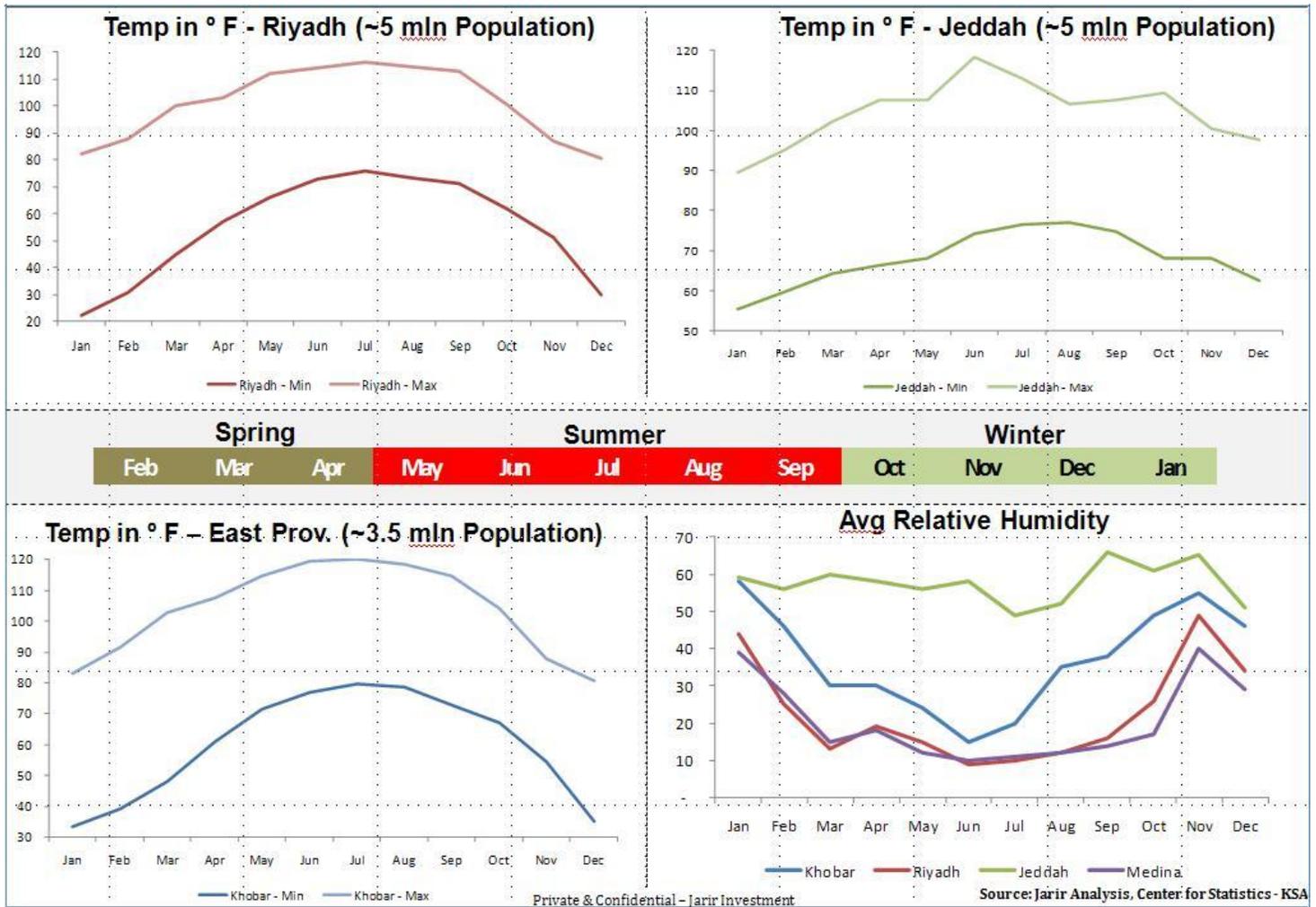
Saudi Arabia is an area of dry, stable, subsiding air which gives rise to hot, dry and near cloudless skies with dry days most of the year. Occasionally tropical monsoon bring rain to the south of the country in the summer. North of the country receives most of the rains in winter.

Temperatures are subject to considerable diurnal and seasonal fluctuations. Winters are cool and pleasant, summers are very hot with temperatures above 40° C and may approach 50° C. Humidity is generally low, except along the coasts where it is quite high.

Average August temperature in Jeddah 32° C but may reach 49° C, winter temperature average 24° C, and relative humidity varies seasonally between 55% and 65%.

Summer months in Riyadh are intensely hot with a daily maximum about 50° C. Winters are cooler, with a maximum temperature of 22° C declining to 10° C or lower. Relative humidity also varies with seasons with typical summer humidity of between 15 to 20 %.

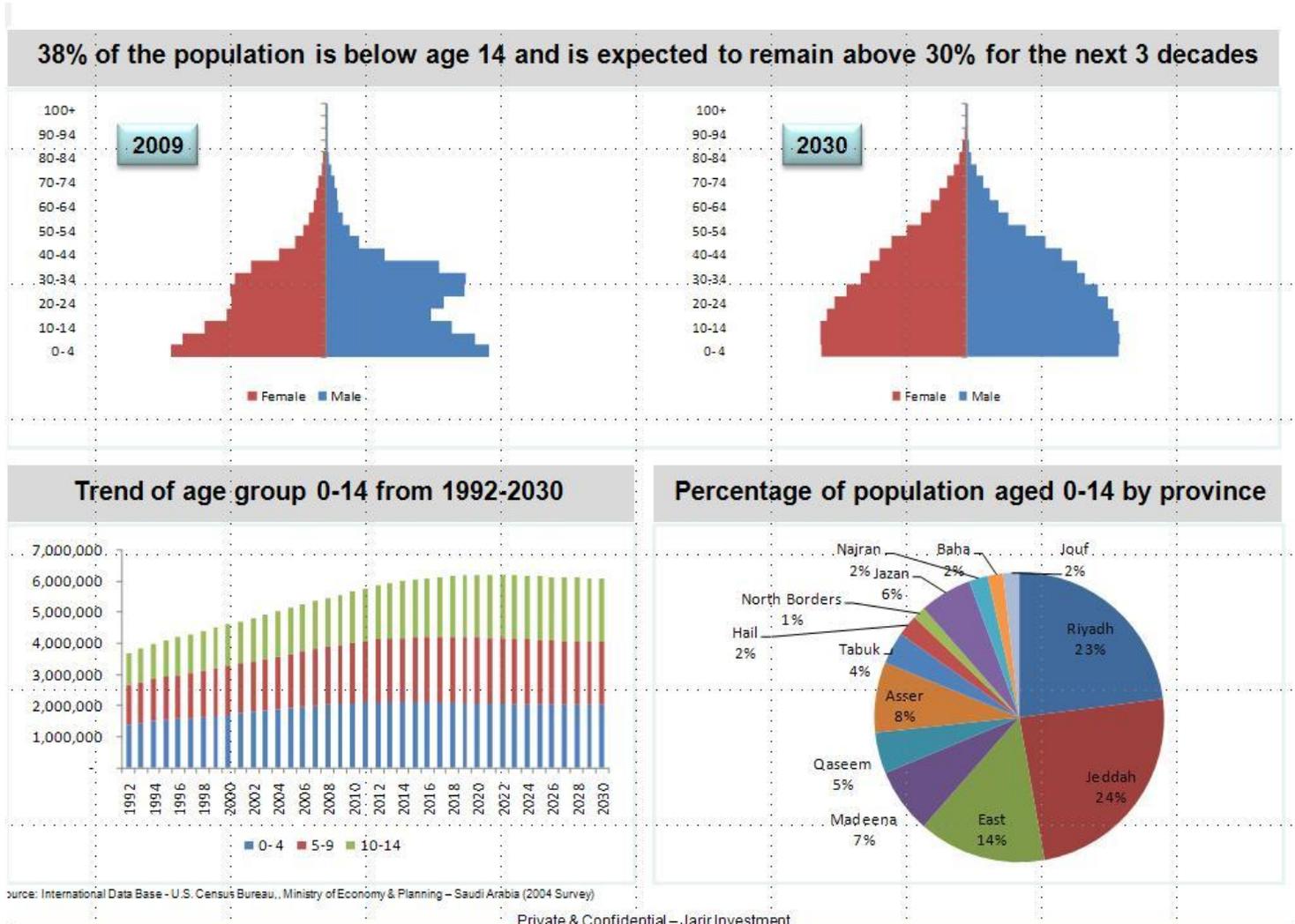
The Gulf coast is warm and humid in summer with average maximum of 42° C and winter maximum average of 22° C. Humidity varies seasonally greatly from 40% in summer to about 70% in winter.



Demographics:

According to the Central department of statistics of Kingdom of Saudi Arabia, estimated population in 2010 is 27.1 mln with 68.9% constituting of Saudis and 31.1% non Saudis. Nearly 51% of the Saudi population is below the age group of 20 and 75% of the Saudi population is below age of 30

Migration of workers from countries such as Indonesia, Egypt, Sudan, Turkey, Sri Lanka, Pakistan, Syria, India, US, Europe, etc has resulted in diverse mix of nationalities



Linguistic Affiliations:

Arabic is the language of all Saudi Arabian citizens and about half the immigrants. Classical Arabic (fusha) in its Koranic, high literary, and modern standard forms is used for prayers and religious rituals, poetry, lectures, speeches, broadcasts, written communications, and other formal purposes. Conversationally, people use colloquial Arabic (amiya). There are many sub-dialects and internal variants. English is the main second language.

Saudi Arabia's Economy:

Saudi Arabia is the largest Arab nation in Middle East. Its economy is largely oil-based with strong government controls on most of the economic activities. Saudi Arabia is the world's largest exporter of petroleum and is an important member of the OPEC. The country's petroleum sectors account for 45% of the GDP and 90% of the export earnings.

In the last one decade, the government has initiated programs to diversify from its dependence on Oil & Gas sector, It has earmarked vast budget to build various economic cities, build infrastructure in health, education, roads, railways etc.

Table 2.1: SELECTED ECONOMIC INDICATORS

	2006	2007	2008	2009	2010
Estimated population (in million)	24.12	24.94	25.79	26.66	27.56
GDP at current prices (billion Riyals)	1,335.6	1,442.6	1,786.1	1,412.6	1,679.1
GDP at constant prices of 1999 (billion Riyals)	786.3	802.2	836.1	836.9	871.6
Non-oil GDP deflator	114.4	116.2	119.7	123.7	126.7
Inflation rate (consumer prices)	2.2	4.1	9.9	5.1	5.3
Aggregate money supply M3 (billion Riyals)	660.6	789.8	929.1	1,028.9	1,080.4
Daily Average for Saudi Oil Production (Million Barrel)	9.2	8.8	9.2	8.2	8.2
Average price of Arabian Light oil (US\$)*	61.05	68.74	94.77	61.38	77.75
Riyal's real effective exchange rate (2000=100)	80.8	78.5	97.7	105.7	105.3
Ratio of currency in circulation to total money supply	10.5	9.1	8.9	8.6	8.8
Ratio of total deposits to total money supply	89.5	90.9	91.1	91.4	91.2
Net foreign assets of domestic banks (billion Riyals)	70.6	42.5	41.5	111.2	98.4
Interest Rates On Saudi Riyal Deposits % (3 Months)(1)	--	4.9	3.3	0.9	0.7
Banks capital adequacy ratio (Basel standard)**	21.9	20.6	16.0	16.5	17.1
Actual government revenues (billion Riyals)	673.7	642.8	1,101.0	509.8	741.6
Actual government expenditures (billion Riyals)	393.3	466.2	520.1	596.4	653.9
Budget deficit / surplus (2)	280.4	176.6	580.9	-86.6	87.7
Ratio of budget deficit / surplus to GDP	21.0	12.2	32.5	-6.1	5.2
Exports of goods*** (billion Riyals)	776.5	854.4	1,154.0	697.3	922.1
Import of goods CIF (billion Riyals)	261.4	338.1	431.8	358.3	400.7
Ratio of current account surplus to GDP	27.8	24.3	27.8	5.6	14.9
Current account (billion Riyals)	371.0	350.0	496.2	78.6	250.3
Share price index(1985=1000)	7,933.3	11,038.7	4,803.0	6,121.8	6,620.8
Debt to GDP	27.3	18.5	13.2	15.9	9.9

**Table 2.2: GROSS DOMESTIC PRODUCT BY ECONOMIC SECTORS
AT PRODUCERS' VALUES AT CONSTANT PRICES (1999=100)**

(Million Riyals)

	<u>2008</u>	<u>2009</u>	<u>2010*</u>	<u>% Change in 2010</u>
A. Industries and other producers (excluding government services' producers)				
1. Agriculture forestry & fishing	39,731	39,536	39,986	1.1
2. Mining & Quarrying	219,065	200,131	204,559	2.2
a. Crude oil & Natural Gas	216,104	197,095	201,433	2.2
b. Other mining & Quarrying Activities	2,962	3,036	3,125	2.9
3. Manufacturing Industries	103,509	105,100	109,753	4.4
a. Oil Refining	22,354	21,615	21,886	1.3
b. Other Industries	81,154	83,485	87,867	5.2
4. Electricity, Gas & Water	14,018	14,973	16,161	7.9
5. Construction and building	57,629	57,982	60,382	4.1
6. Wholesale & Retail Trade & Restaurants & Hotels	71,212	72,992	77,190	5.8
7. Transport & Storage & Communication	55,822	59,946	64,745	8.0
8. Finance, Insurance, Real Estate and Business services	104,781	107,517	109,257	1.6
a. Houses Ownership	53,951	54,875	55,915	1.9
b. Others	50,829	52,641	53,342	1.3
9. Community & Social & Personal services	31,028	32,267	33,865	5.0
10. Minus calculated banking services	15,528	15,869	16,196	2.1
B. Government Services' Producers	145,210	152,510	161,801	6.1
Total (excluding import duties)	826,478	827,085	861,501	4.2
Import duties	9,655	9,853	10,142	2.9
GDP	836,133	836,938	871,643	4.1

* Preliminary data.

Source: Central Department of Statistics and Information, Ministry of Economy and Planning.

Iqama (Residence Permit):

Iqama needs to be carried at all times by every resident. Until you obtain the Iqama the new employees will be given a temporary Iqama. The following documents are required to process the Iqama :

- ▶ Letter from the Employer
- ▶ Medical Report
- ▶ Original Passport
- ▶ Photographs

Bank Account:

Once you have your Iqama, you can proceed to opening the Bank Account. Employee has to open the account with the bank at which the company has agreement to pay the salary. To open an account in the bank, you may require the following:

- ▶ Duly filled application form
- ▶ Letter from the Employer
- ▶ Iqama & Passport copies

Driving/Driving License:

Some national driving licenses from some countries (Eg UK, US) are valid for three months from arrival in Kingdom. After this time you need a Saudi driving license. India issued International driving permit (IDP) is not valid in KSA. Only men are allowed to drive in KSA. The following documents are required for processing the driving license

- ▶ Translation of your national driving license (only computerized national licenses are acceptable)
- ▶ Letter from company duly attested from chamber of commerce
- ▶ Application form
- ▶ Photo
- ▶ Blood & Eye test
- ▶ "Ruksa" Insurance (Third Party Insurance)

Family Visa:

Once you have your Iqama and if the employee is entitled for family status as per the terms and conditions in the employment contract the employee can proceed to obtain the family visa. Employee has to submit the following to Admin / Personnel department for applying the family visa

- ▶ Passport copy of the family
- ▶ Graduation certificate of the employee translated into Arabic

Once the foreign ministry advises the visa number the employee has to forward to the travel agent who is processing the VISA the following:

- ▶ Original visa slip
- ▶ Copy of the Iqama
- ▶ Copy of the employee passport

In addition to the above the Travel agent in the home country will require the following to process the Visa from the Saudi Consulate

- ▶ Family Medical Report
- ▶ Ticket / PTA

Once the family reaches Saudi Arabia, they will need to be added to the Iqama. Family member's photo, original passports and employee's Iqama copies are required for this purpose.

For Indians in Saudi Arabia:

There are close to 1.8 million Indians in Saudi Arabia.

Few Rules and Regulations to be respected:

- ▶ You should be 18 or older to apply for a Driving License.
- ▶ Every resident and Foreigners are required to carry their residency card (called Iqama) once issued or their passport with them at all times. The Saudi authorities have the right to check identification and this can occur regularly due to large number of security checkpoints in and around cities.
- ▶ Photography of official buildings, including government buildings, military installations, checkpoints, embassies and palaces is illegal and carries harsh penalties.
- ▶ Business travelers involved in a commercial dispute with a Saudi company or individual may be prevented from leaving the country until the dispute is resolved.
- ▶ Women are not allowed to drive
- ▶ When in public places, every woman is required to wear a black gown (commonly referred as Abaya) and cover their head. This is in line with local cultural customs of adhere to Islamic dressing code
- ▶ Women can enter only those restaurants that have family sections.
- ▶ It is Illegal for unmarried couples to live together. Hotels may refuse accommodation to couples unable to provide proof of their marriage.
- ▶ Islam is the official religion and hence no other religion can be practiced publicly, there are no churches, temples etc. However people are allowed to practice their religion as long as it is done in private and does not make it a public event
- ▶ Preaching religions other than Islam may result in imprisonment and corporal punishment and deportation.
- ▶ The Salah (Islamic prayer) time should be strictly followed. Shops and other establishments such as restaurants are closed during the prayer times. However, corporate and companies continue to work without any breaks for this. Some of the big Shops may allow you to continue shopping, but they keep the main doors closed until the prayer is over. There are five prayers – Before sunrise, after noon, late afternoon, before sunset, after sunset
- ▶ It is strictly advised not to bring idols, religious scripts, photos which depict your religion. It may create unnecessary inconvenience at customs on arrival.
- ▶ Alcohol is prohibited in the country. Possession of alcohol may result in imprisonment and corporal punishment. Travelers have been detained on arrival in Saudi Arabia when police have detected smell of alcohol on their breath.
- ▶ Penalties for trafficking, possession or usage of drugs are severe and include the death penalty. Homosexual acts are illegal and penalties include the death penalty.
- ▶ Other offences punishable with death penalty include murder, rape, adultery and abandoning religion (Islam).

Schools and Education:

There are various categories of schools – Embassy schools, Private Schools, International schools and others. These schools serve children from Kindergarten to grade 12 (K-12). Recently few colleges have opened up to all the applicants who meet admission requirements regardless of nationality, age and gender.

One of the most reputable chains of schools in India has a branch here in Riyadh. For Information on schools in Riyadh, please follow the link providing information from one of the expatriates living in Riyadh: <http://www.get2knowsaudiArabia.com/2009/07/schools-in-riyadh-saudi-arabia.html#advls>.

Housing:

Different housing facilities are available. Flats/Apartments, Villas, compounds, individual houses etc. Majority of expats live in individual houses, flats or villas. Rent varies based on location and type of facilities provided

- ▶ Usually most of the companies provided accommodation for bachelors, either sharing or single room in a large villa with other employees or in a unitary flat/apartment.
- ▶ An individual flat 1/2BHK in a decent locality can be rented in the range of 16,000 to 24,000. In some areas a little far away from city the rents can be lower
- ▶ Security usually is an issue as long as some rundown places are avoided.
- ▶ Flats/Villas are also available in gated communities (commonly referred as compounds). The rents in compounds can be 2-3 times the individual villas. Rent ranges from SR 60,000/- to SR250,000 per annum. These compounds have a lot more freedom than outside once inside the gates with facilities like gymnasium, swimming pools, playgrounds, grocery shops etc. There is usually a long waiting list for these compounds. For more details on compounds, please visit the following link in Riyadh.

<http://www.get2knowsaudiArabia.com/2010/10/compounds-in-riyadh-saudi-arabia.html>

Language:

The official language here is Arabic. Though, It is easy to communicate with Taxi drivers and supermarket staffs as most of them know other languages like English, Hindi, Urdu, Tamil etc. It is always handy to learn a few common words and sentences in Arabic before arrival.

Local Customs and Laws:

There are strong Islamic codes of dress and behavior in Saudi Arabia. Any display of disrespect for Islam will cause great offence. You should take care not to offend others. When in doubt, seek advice from people already living/colleagues from office.

Safety in Saudi Arabia:

Saudi Arabia is considered a safe place of all expatriates. Most of the expats who can afford it live in compounds which are high walled with security all the time. Inside the compound you may live according to your convenience, but have to follow the above mention rules and laws.

Petty crimes such as thefts etc are very low and almost inconsiderable in most of the places in Saudi Arabia. This is due to strict laws against such crime which puts a fear among people. Major crimes such as murder, rape etc is almost negligible.

Similar to other countries, news of an expat being harassed surface, but in most of the cases they arise due to not following the above stated basic Do's and Don't's, eg - not moving alone in nights and in secluded places (which evidently leads to uncomfortable situations even in your own country). As long as the expat keep's a low profile and live within the guidelines, they should be able to do fine and even start to appreciate the simplicity.

Business Etiquette and Protocol Relationships & Communication:

- ▶ You will need a Saudi sponsor (wakeel) to enter the country. The sponsor acts as an intermediary and arranges appointments with appropriate individuals.
- ▶ Saudis prefer to work with people they know and trust and will spend a great deal of time on the getting-to-know-you part of relationship building.
- ▶ Like anywhere else in the world, dress and present yourself well.

- ▶ For a non- Arab, Names can be often confusing. It's best to get the names (in English) of those you will meet, speak to, or correspond with beforehand. Find out both their full names and how they are to be addressed in person.
- ▶ A customary greeting is *salaam alaykum*. Shaking hands and saying *kaif hal ak* (how do you do?) comes next.

Food and Daily Expenses:

There are nearly 7 million expats mostly from India, Pakistan, Bangladesh, Philippines, Sri Lanka and other countries. Hence, all types of restaurants and groceries are available in super markets.

The average cost for meal or lunch in a standard restaurant will cost anything between SAR 10 to SAR 25 depending on the location in the city.

The average monthly grocery cost per month for a family of 4 will cost from SAR 750/- to SAR 1200/- depending on the type of grocery one buys. So, for individuals or family lesser in number, the expenses are comparatively less per month.

The cost of living in Saudi Arabia is pretty cheap when compared to the rest of the gulf countries.

- ▶ Accommodation: SR.25000/year- for a decent 3 bedroom flat in a good residential area
- ▶ Medical Insurance: SR 3000/- per Annum
- ▶ Oil: SR 25/- full tank (Fuel is pretty cheap here)
- ▶ Internet: About 100/- per month
- ▶ Utilities (Water & Electricity): About SR 100-200 per month depending on usage

Shopping:

- ▶ Groceries can be bought from local supermarket (commonly referred as bakala's), Major chain of super markets and hypermarkets include – Panda, Carrefour, Danube, Lulu
- ▶ Malls – Shopping is one of the main activities for saudi families. All the major cities have modern malls with facilities like entertainment zones, food courts.
- ▶ All the Major western brands have a presence in KSA- H&M, Marks & Spencer, Debenhams, Ikea, Mcdonalds, KFC, Starbucks, etc

Associations:

- ▶ Many cultural associations like Telugu, Tamil, Bengali, Malayalam Etc exist which conduct gathering programs for local communities. These groups are good starting point to get to know people from your local Indian communities

A Few Local Attractions in Saudi Arabia:

Riyadh



Riyadh Kingdom Towers

Riyadh is the capital of Saudi Arabia and lies on the great limestone plateau of Nejd in the centre of the Arabian Peninsula, some 2500 feet above sea level. The name Riyadh comes from the Arabic word "rawdah" meaning "a place of gardens and trees". In 1932 the city became the capital the Kingdom of Saudi Arabia. Educational, financial, agricultural, cultural, technical, commercial and social organizations have their offices in Riyadh too. Beside the modern buildings, the private houses are typical Saudi Arabian architecture with high walls and little lawn space. The oldest part of the city is called Al-Bathaa.

The Riyadh airport, King Khalid International Airport-KKIA, is one of the largest international airports in the world.

Jeddah



Jeddah porta della mecca

Jeddah, located on the shores of the Red Sea is one of the most cosmopolitan cities in Saudi Arabia. It is the second largest city in the country besides being a major urban centre and commercial capital. Jeddah is the chief gateway of

Mecca. Jeddah has a 2,500 year old history as a port and entry way to Mecca. Earlier established as a fishing village, it is now considered as the most cosmopolitan city of Saudi Arabia and received millions of visitors annually.

Strolling by the beaches, especially the Corniche, is a popular way of enjoying the Jeddah nightlife. The Corniche is lit exceptionally well at nights so that visitors can enjoy a visual treat with its open-air sculptures. Tourists will find numerous handcarts on beaches selling spicy chickpeas, fizzy drinks and candy floss. Visitors can walk on the beach or sit near it and enjoy the breeze and sights all around them. On floodlit nights, tourists can enjoy the view of the King's Fountain, which has a water jet of 261 meters. Being the largest fountain in the world, it can be seen from a very far distance without much difficulty. Many locals also frequent beaches in the night to smoke traditional water pipes and play cards.

Medina



Medina is considered as the second holiest Muslim city after Mecca. Medina is found in the Hejaz region of Saudi Arabia in its west. The city has gained utmost priority in Muslim literatures, religions and customs because it is the burial place of the great Prophet Mohammed. The city is guarded by an ancient wall that is around 35 feet high. The wall is present since the 12th century. The city is filled with towers, big and small. For Muslims all over the world it is a belief that praying once in the Mosque of the Prophet is equal to praying over a 1000 times in any other mosque.

Abha





Abha is the capital of Asir Province in Saudi Arabia. It is located at a height of 2,200 meters above sea level and on the mountainous ranges of south western Saudi Arabia.

While visiting Abha one can find that the homes are made of stone and mud with hands. Some of the homes are as old as 300 years. There is a reflection of pyramids in these houses as there is a graduation from one layer to other. The houses are situated in vertical rows that help them to protect the walls from rain and washing them away.

This place has many archaeological sites that attract tourists throughout the year. One can also find some of the unique work of art and sculpture, handicrafts and hand woven products.

This hill station is like a summer “get away” for most of the people here in Saudi and is pleasant most of the year.

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