

SAUDI RAILWAY COMPANY



Speaker Bio

Director of Supply Chain in Saudi Railway Company, Riyadh Saudi Arabia which is owned by Public Investment Fund, where he is engaged from the North-South Railway projects. He holds Bachelor Degree in Business Administration from King Abdulaziz University, Saudi Arabia.

He has strategic buying professional with 13 years of experience in retail industry and transportation. He has a strong background in Supply Chain, Procurement and Logistics. He launched the first I-supplier portal, activate inventory module in ERP-Oracle and established the supply function units such as Supply Strategy Development, ERP Implementation, develop Policies and Procedures. He is also the Chairman of Inspection Committee.

He launched his career as Assistant Product Manager in Al Khorayef Industries and spent over 13 years in increasingly senior positions in his second company Al Muhaidib Technical Supplier and now in Saudi Railways Company.

Content

- * Railway in Saudi Arabia. History of SAR and its expansion. Merging with other companies.
- * External and Internal Market Challenges.
- * Local content and strategic direction of SAR to synchronize with the Kingdoms Vision.
- * Investment opportunities in the railway sector and local market participation.

Railway in Saudi Arabia.

History of SAR and its expansion.

Merging with other companies

Milestones



2006

The Council of Ministers had approved the licensing of Saudi Railway Company (SAR) that is wholly owned by the Public Investment Fund

SAR started the transportation of Phosphate minerals



2015

started the transportation of Bauxite minerals



2011

a royal decree named SAR as the infra owner of all Saudi Arabian rail projects between cities

2016

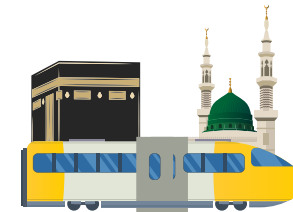


2017

Launch of Passenger Service

Launch of Haramain High-Speed train - Passenger service

2018



2019

Council of Ministers resolution to transfer of all operational and fixed assets of rail transport projects between the Kingdom's cities

SAR Existing Network

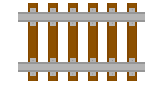


- North Line
- East Line
- HHR
- Al Mashaaer
- Freight Station
- Passenger & Freight Station
- 📍 Minerals Station



4 MAJOR NETWORK

North - East - HHR - Al Mashaaer



5,610KM



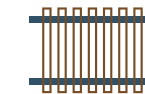
2 MINES



24 PASSENGER STATIONS



2 PORTS



9 YARDS



8 WORKSHOPS MAINTENANCE

Lines of Services

PASSENGERS



MINERALS



FREIGHTS



Minerals

MINERAL RAIL
LENGTH:

1,550 KM



TYPES OF MINERALS

- PHOSPHATE
- BAUXITE
- MOLTEN SULPHUR
- PHOSPHORIC ACID



ONE TRAIN IS CAPABLE
TO DELIVER MORE THAN

16,000
tons

TOTAL ANNUAL
TRANSPORT

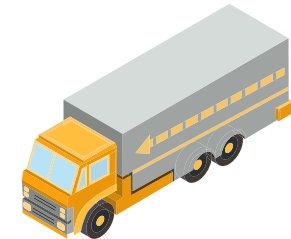
More than
11 Million

tons

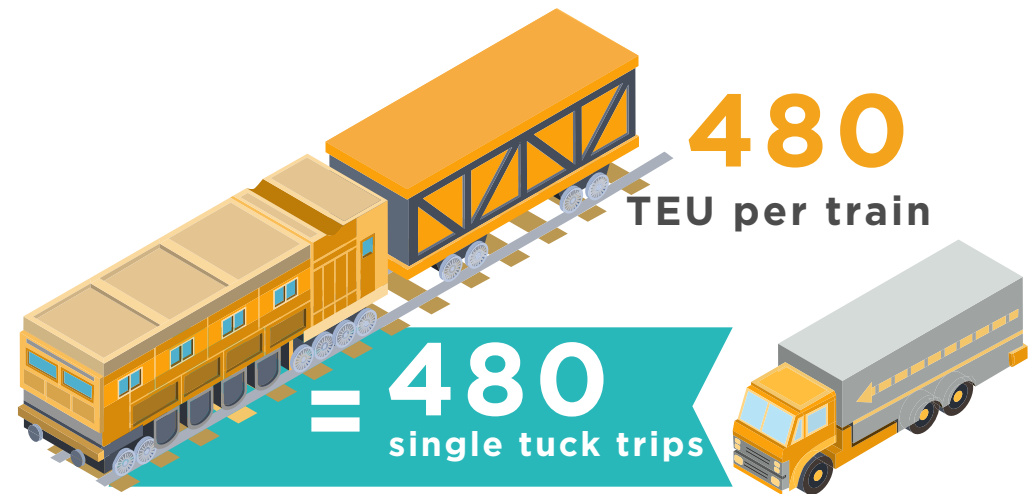
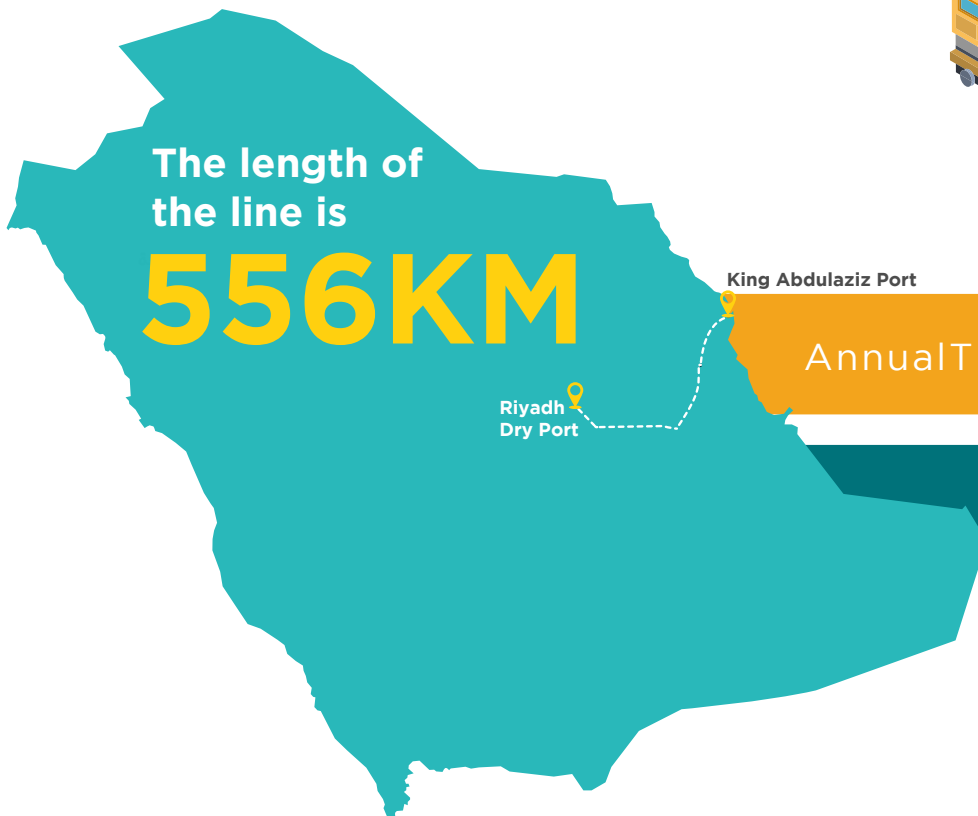


800,000

single truck trips



Freight



Annual TEUs

650,000 TEU

Transporting Freight through

2 Ports

Passenger

NORTH



HHR



AL MASHAAER



EAST



Passenger

NORTH



The length of the network is

 **1,250KM**

Types of Trains:

Day Train



444 Passenger

322 Economy Class Seats

120 Business Class Seats

Night Train

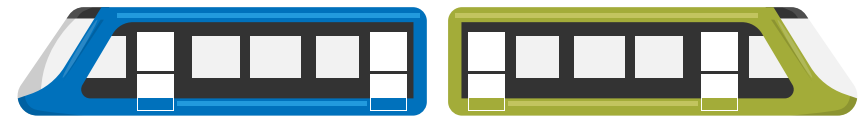


377 Passenger

238 Economy Seats

43 Business Seats

24 Private Cabinet



6 STATIONS

RIYADH

1

HAIL

4

AL-JOUF

5

2

ALMAJMA'AH

3

QASSIM

6

QURAYYATT

SOON

Passenger

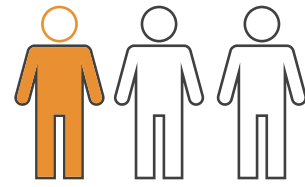
EASTERN



The length of the network is

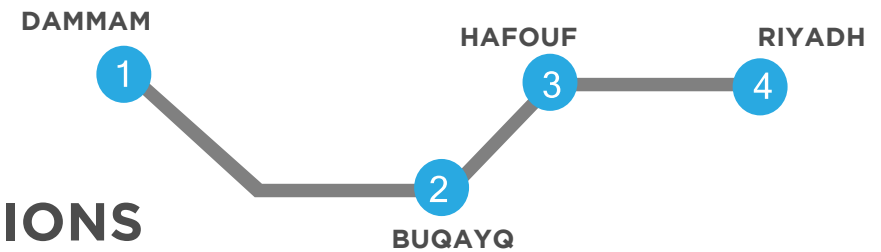
 **733 KM**

trains carry annually more than



1.3 MILLION
passengers

4 STATIONS



Passenger

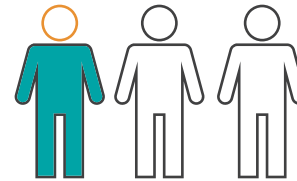
AL HARAMAIN



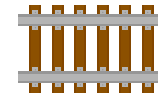
Fleet of
35
Modern trains



reaching up to of
 **300 KM**



Capacity up to of
60 M
a year



The length of the network is
449 KM

MAKKAH

1

KAEC

4

MADINAH

5

2

3

JEDDAH CENTRAL

KING ABDULAZIZ AIRPORT

5 STATIONS

Passenger

AL MASHAAER



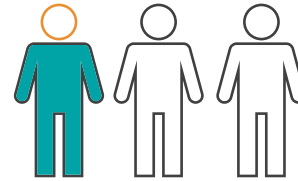
The length of the network is

 **20 KM**

17
Train



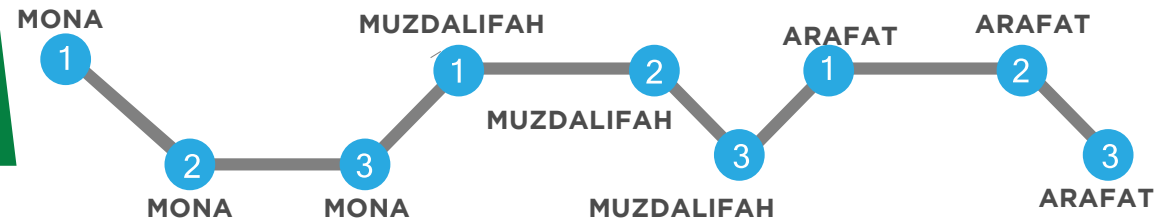
12
Cars



Capacity up to of

350,000
a year

9 STATIONS



Master Plan



رؤية
VISION
2030
المملكة العربية السعودية
KINGDOM OF SAUDI ARABIA

External and Internal Market Challenges

External Challenges

Vendor Base:

- Reliance on foreign vendors for high-value items.
- Longer lead times.
- Consolidated and mature vendor base with little room for terms and price negotiations.
- Other complexities include: volume/scale, cultural, and standards.
- **Opportunity:** develop local vendors – in progress:
 - * Technical capability development.
 - * Vendor commitment.
 - * Operational performance management.

Changing industry trends:

- Innovation in Signals and Rolling Stock technologies, standards and regulations
- Big data and Internet of Things (IoT) – data being used for predictive maintenance; and rolling stock and spares life cycle management.
- More emphasis on product reliability.

Health & Safety:

- Safer processes, standards, and work practices development.
- Vendor training and commitment to safety.

Internal Challenges

People:

- Skills shortage within the industry

Process:

- * Cross-functional collaboration between technical and procurement teams – definition of roles, processes and modus operandi.
- For large projects between – PMO, IT and Procurement.
- * Planning process for projects, materials procurement and inventory management

Technology:

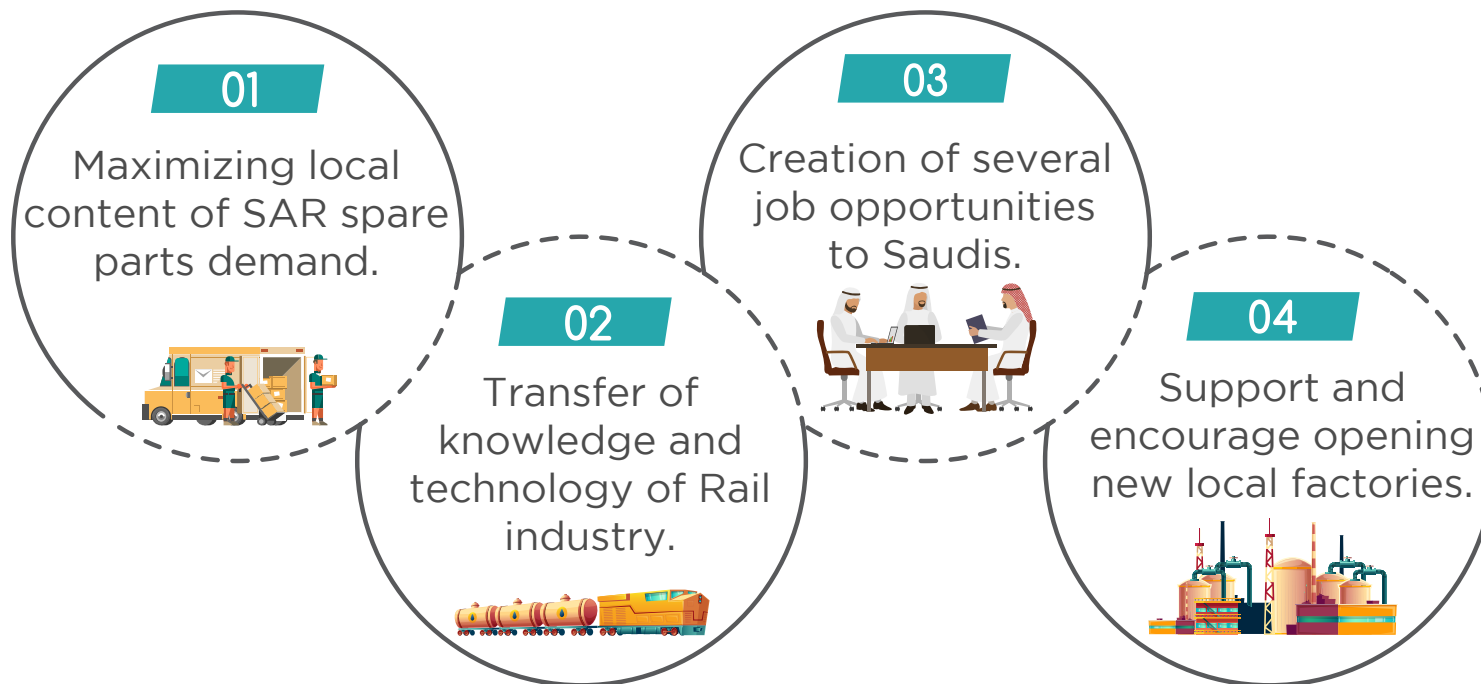
Tools and resources for strategic sourcing process i.e. cleaned master data, spend analytics, category management, RFX processes and contracts management

Local content and strategic direction of SAR to synchronize with the Kingdoms Vision

Strategic Goals

Based on our national responsibility and the industry need we target to support and enhance the localization of the Rail industry and the creation of added value to Saudi Arabia's economy by supporting local industries and improve localization volume which lead to achieve our strategic goals such as:

SAR's Localization Goals



National Transformation Program

- * In order to build the capacity and capabilities required to achieve the ambitious goals of “Vision 2030,” the National Transformation Program was launched. It aims to develop governmental work and establish the needed infrastructure to achieve “Vision 2030” ambition and requirements.
- * SAR is aligning with National Transformation Program 2020 to achieve the ambitious goals of Saudi Arabia’s Vision 2030.



National
Transformation
Program



AFED 2018

* As part and aim of Saudi Railway Company (SAR) to localize spare parts in the rail industry, SAR participated at The Armed Forces Exhibition for Diversity of Requirements and Capabilities (AFED 2018), which was held in Riyadh from 25 February to 03 March 2018. About **418** investors visited SAR booth.



161

Spare parts items
provided by SAR to be
manufactured locally

101

Companies requested
info about provided
items

39

Samples and technical
details of items
provided to interested
companies

Strategic Cooperation

Effective strategic communication with local governmental entities to support and enhance the localization of the Rail industry in all procurements and supply chain services which lead to achieve our strategic objectives.



الهيئة السعودية للمواصفات والمقاييس والجودة
Saudi Standards, Metrology and Quality Org.

منشآت
monsha'at
الهيئة العامة للمنشآت الصغيرة والمتوسطة
Small & Medium Enterprises General Authority

هيئة المحتوى المحلي
والمشتريات الحكومية
Local Content & Government
Procurement Authority



SCA

الهيئة السعودية للمقاولين
Saudi Contractors Authority

NIDL P

- * The National Industrial Development and Logistics Program (NIDL P) seeks to create the right conditions to transform Saudi Arabia into a leading industrial powerhouse and a global logistics hub.
- * As part of SAR social responsibility aims by participation in this program to enhance the attractiveness of the Railway sector and enhance the trade balance by maximize local content and presenting 5 major investment opportunities.



National Industrial Development and Logistics Program

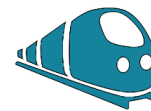
Investment opportunities



Establishment of a Wheel manufacturing plant for trains



Establishment of a plant for packing and winding traction motors



Concession to operate and maintain the Mashaaer Metro line



Car/Wagon Manufacturing / Assembly



Intermodal Yard Operation

Supply Chain Achievements

Localization share in procurement & contracts (2018)

86%

Of SAR's POs & contracts rewarded to local vendors in 2018

8%

Increase of SAR's POs & contracts rewarded to local vendors in 2018 compared to 2015

81%

Of SAR's approved vendors are local

Investment opportunities in the railway sector and local market participation

Investment Opportunity

Wheels

Description

- WHEELS; RAILWAY WAGON; (36") DIAM 915MM
- WHEELS, MACHINED FORGED LOCOMOTIVE; MIRCO ALLOY; OD 42"(1066MM)
- RUNNING WHEELS - SRM 500
- WAGON WHEEL BEARING CLASS K SEAL

Spend Value (SR) 2017 - 2019

32,000,000



Investment Opportunity

Locomotive spare parts

Description

- Traction Motor
- 4" BOTTOM OUTLET VALVE (BOV) PPA
- CHARGER; TURBO ASSEMBLY
- ARMOURED CABLE ASSEMBLY
- RADIATORS
- Coated Fan Blade Kit
- BLOWER HOUSING
- Long-Stroke Side Bearing Body Assembly

Spend Value (SR) 2017 - 2019

45,000,000



Investment Opportunity

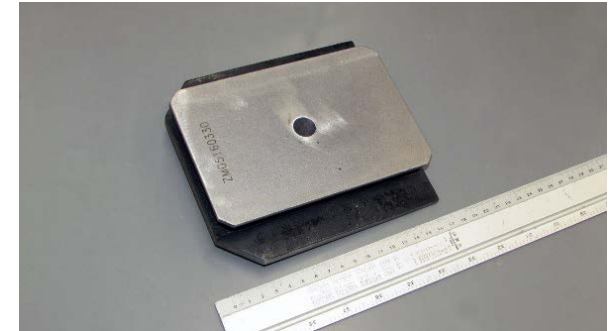
Wagons spare parts and services

Description

- PULSE FILTER ELEMENT
- JOURNAL SPRING
- WEDGE WEAR PLATE
- OUTER SPRING
- ECP INTER-CAR CABLE W/LANYARD; 36" LONG
- INNER SPRING
- Adapter Share Plate

Spend Value (SR) 2017 - 2019

20,000,000



Investment Opportunity

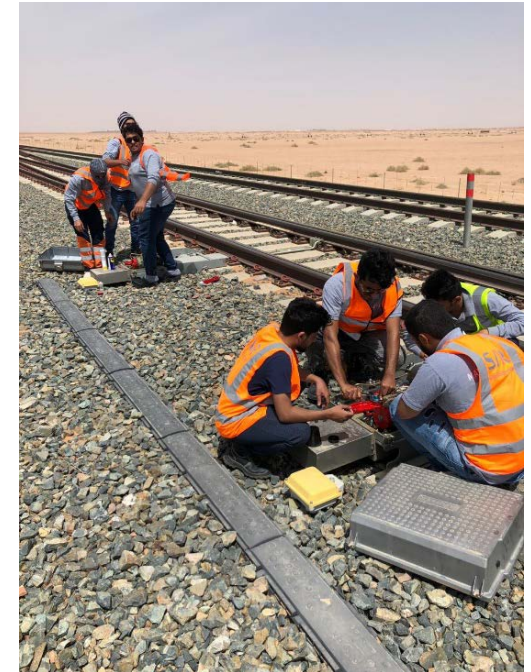
Infrastructure/ Track maintenance and services

Description

- Structure works
- Equipment's
- Fencing

Spend Value (SR) 2017 - 2019

150,301,903



Thank You