FROM VISION
TO SCALE

SAUDI EXPORTS AT THE CENTER OF ECONOMIC DIVERSIFICATION

Strategic Gears
Management Consultancy

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THE KEY TAKEAWAYS

Saudi Arabia's economy is undergoing a historic shift. GDP reached $1.09 trillion in 2024, with oil's share dropping to 22%, from almost 50% in 2011, growth diversifying to services, trade, manufacturing, and real estate, and non-oil exports tripling compared to their 2015 level. For a country already producing competitively in sectors like plastics, chemicals, and aluminum, even small gains in global market share could yield billions in additional revenue and thousands of jobs. This report advances a data-driven pathway for scaling that potential by identifying 294 high-potential products and classifying them into three performance-based typologies. Here are the key takeaways:

STRATEGIC DIAGNOSTIC

The Kingdom's non-oil exports, currently at $58 billion, carry an untapped potential that could bring total non-oil exports to over $100 billion before 2030 with targeted policy interventions.

A few sectors dominate both current earnings and future potential. Plastics and organic chemicals consistently rank at the top for Saudi, accounting for the majority (59%) of its unrealized $43 billion non-oil export value.

Near-competitive products, representing Saudi's low-cost, high-return frontier, could go from yielding $1.57 billion in export values annually to an additional $1.3 billion in key sectors like plastics, paper, iron and steel, and salts. These products, with specific improvements in efficiency and market targeting, can be pushed over the competitive threshold.

A handful of products drive most of the untapped potential, where only 14 core-competitive products account for more than two-thirds of the total $43 billion unrealized potential, suggesting that highly targeted interventions could yield outsized gains.

Core-competitive products, those in which the Kingdom enjoys a competitive edge and high commercial values, offer the largest opportunity. Although they already generate 80% of total non-oil export revenues, they remain $29.4 billion below potential. Strategic reactivation of peaked and declining products in this group could raise total exports to $76 billion by 2029.

Scalable products, those in which the Kingdom has a competitive edge but a relatively low commercial value, are numerous and economically underleveraged compared to their potential. Comprising 130 products across 40 sectors, they average just $1.67 billion annually in exports. Yet with tailored interventions, their export value could reach $2.8 billion by 2029.

STRATEGIC DIRECTION

Scale the front-runners by reinforcing top-performing products with continued investment in quality, technology, and market access.

Unlock latent capacity by helping scalable products cross key commercial thresholds through financing, promotion, and aggregation.

Reclaim the core by reviving peaked and declining products through capacity upgrades and supply chain efficiency.

Push near-competitive products over the line through selective support for certification, productivity, and packaging.

1 INTRODUCTION

Context

Saudi Arabia is navigating the second half of the 2020s with an economy that is not only expanding rapidly but also undergoing its most significant structural shift in decades. Nominal GDP reached a record high of $1.09 trillion in 2024[1], driven by sustained growth across seven of the past nine years.[2] Crucially, the Kingdom's economic engine is no longer tethered to oil alone: **oil now contributes just 22% of GDP,[3] down from almost 50% in 2011.**[4] In its place, government services, trade, hospitality, non-refining manufacturing, and real estate have emerged as the new pillars of growth, collectively accounting for 42% of GDP.[5]

This evolving economic composition signals that Vision 2030, the Kingdom's flagship development agenda launched in 2016, is delivering results. Conceived to create employment for a young and growing population, diversify state revenues, and position the Kingdom as a global innovation hub, the program is maturing with momentum on its side. **Non-oil exports of goods and services reached an all-time high of $137 billion in 2024**,[6] a 113% increase since the Vision's launch in 2016.[7] Private sector contribution has risen to 47% of GDP in 2024, exceeding the year's target of 46%.[8] Logistics competitiveness has also advanced: **the Kingdom jumped 17 places to 38th in the World Bank's 2023 Logistics Performance Index**, moving halfway to its top-25 target.[9]

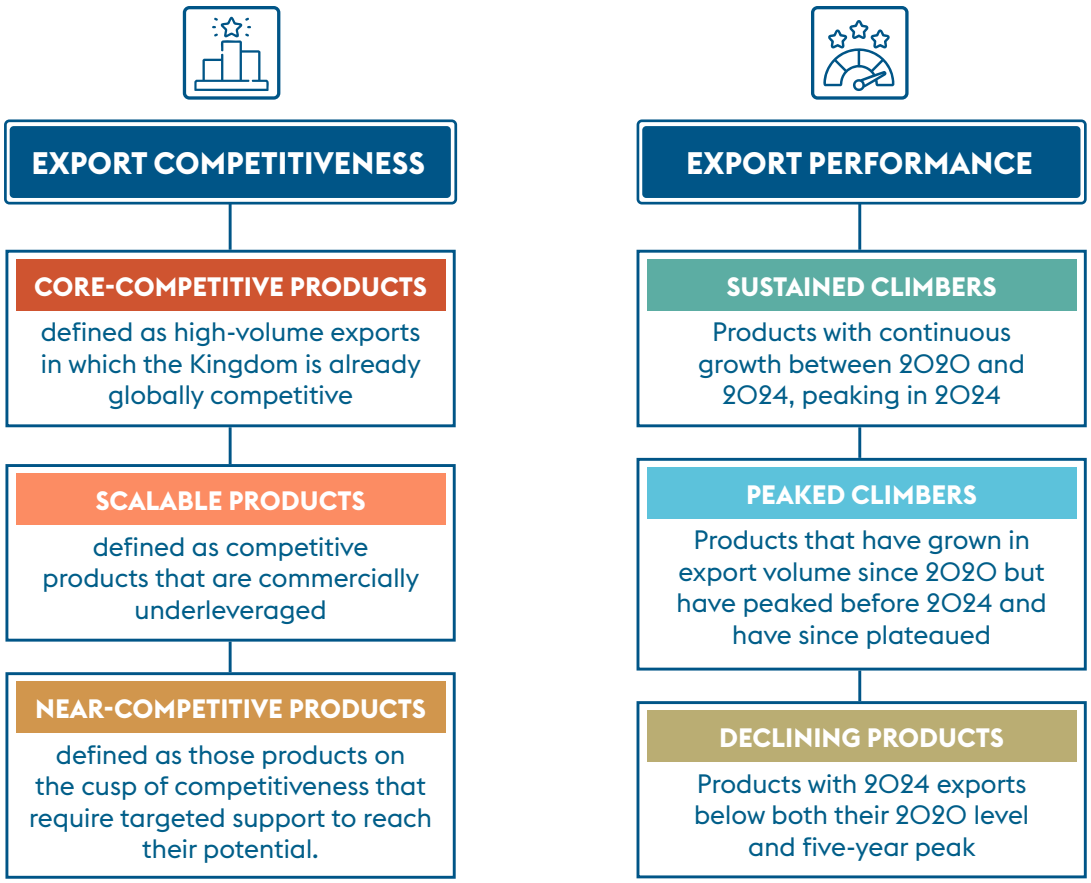
Yet the opportunity remains vast. For a country already producing competitively in key sectors such as plastics, aluminum, and chemicals, every additional percentage point of non-oil exports could unlock around $20 billion in economic growth.[10] Exports matter not only for earning hard currency, but also for anchoring firms in global value chains, exposing them to international markets, and creating the high-skill, innovation-driven jobs that will define the Kingdom's next economic chapter.

Aim and scope

This report identifies a data-driven pathway for the Kingdom to capture the $43 billion untapped non-oil export potential. It does so by systematically evaluating the structure, scale, and trajectory of the Kingdom's export portfolio and classifying non-oil products into performance-based typologies. The goal is to move beyond one-size-fits-all strategies and propose tailored policy interventions that reflect the commercial reality of each product group.

The analysis covers the entire set of non-oil goods exported between 2020 and 2024. Products are filtered and grouped based on export competitiveness, measured through Revealed Comparative Advantage (RCA), and on export performance trends. This yields a focused set of 294 high-potential products divided into a matrix of three-by-three typologies:

Figure 1: The three-by-three typology matrix



2 FRAMEWORK AND METHODOLOGY

This study evaluates the export performance and competitiveness of Saudi Arabia's non-oil sectors by analyzing detailed customs data and applying internationally recognized trade metrics. The approach is designed to isolate products with structural export potential and inform targeted industrial and trade policy.

Framework

Revealed Comparative Advantage Approach

To assess product-level competitiveness, this research deploys the Revealed Comparative Advantage (RCA) for each product. An RCA score greater than 1 indicates that KSA exports that product disproportionately more than the global average, pointing at a competitive advantage. RCA values between 0.70 and 0.99 are considered near-competitive, reflecting products that are close to reaching global competitiveness under supportive policies or targeted investment.

The RCA calculation is as follows:

$$RCA = \frac{\text{Saudi exports of product i}}{\text{Total Saudi exports}} \Big/ \frac{\text{World exports of product i}}{\text{Total world exports}}$$

Exclusion of Oil Products

Raw and semi-processed oil and petroleum based products (HS 27) are excluded from the analysis. While oil constitutes the bulk of KSA's export revenue, its inclusion would distort assessments of structural competitiveness for three reasons:

1. Factor endowment vs productive capability: Oil exports depend more on the Kingdom's geological reserve than its productive specialization or technological intensity.

2. Non-competitive pricing: Oil prices are shaped by OPEC quotas and bilateral state contracts rather than global market dynamics, violating the RCA assumption of price-taking behavior in competitive markets.

3. Production factors must be mobile: Ricardian trade theory assumes production inputs are mobile within a country. Oil reserves are location-fixed and immobile, undermining this theoretical basis.

Threshold of Commercial Viability

The raw export dataset includes 4693 distinct non-oil products. However, many of these are traded in marginal volumes that can skew analysis by distorting the segmentation thresholds. The report follows the International Trade Centre Trade Map approach: only products with average annual exports above $200,000 between 2020 and 2024 are retained.

This refinement narrows the product set to 1304 products, which, despite representing just 28% of the total product count, account for $58 billion, or 99.9% of KSA's total non-oil export value. These products span 82 distinct sectors.

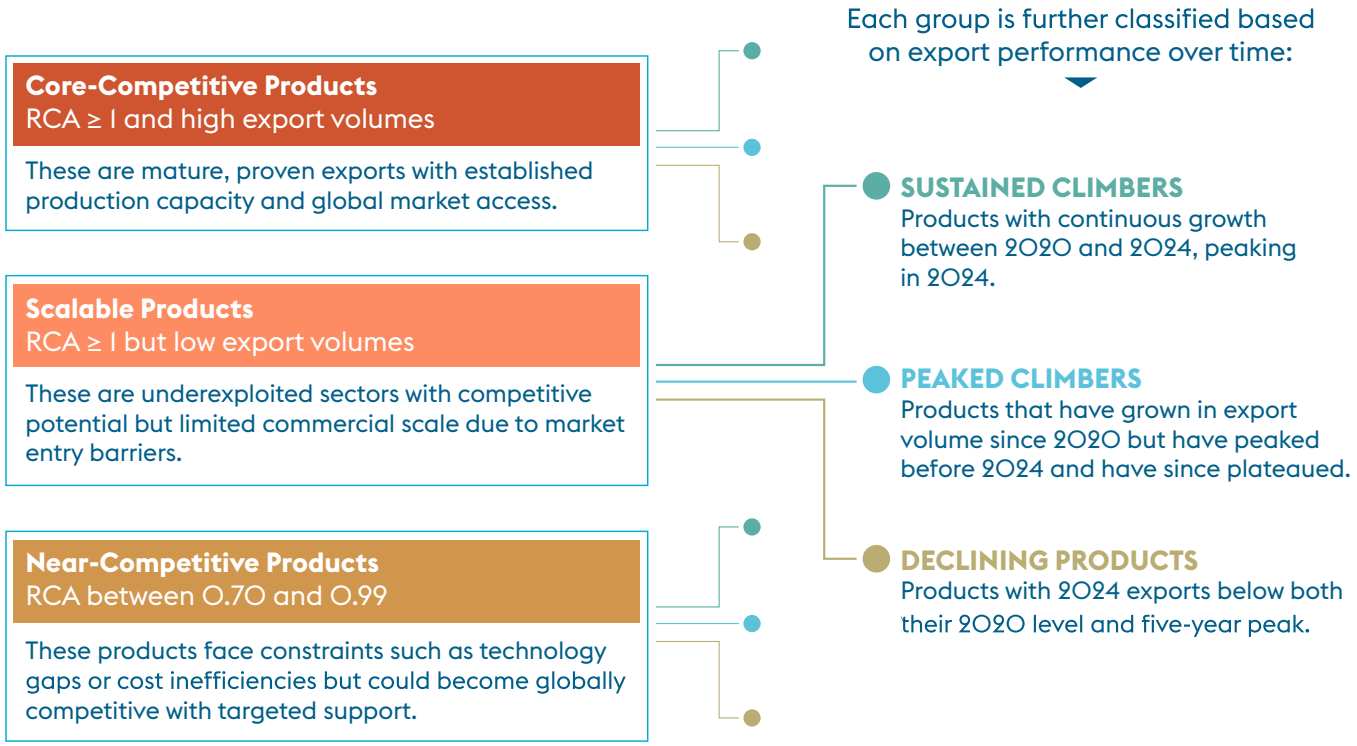
Methodology

The analysis is based on disaggregated merchandise trade data extracted from the UN COMTRADE database in April 2025. Products are classified at the six-digit Harmonized System (HS6) level, covering 4724 non-oil products exported by KSA. The focus is exclusively on domestic exports, defined as goods produced or substantially transformed within the Kingdom. Re-exports, i.e. products that transit through KSA without undergoing transformation, are excluded, as they do not reflect domestic productive capabilities.

Product Typology

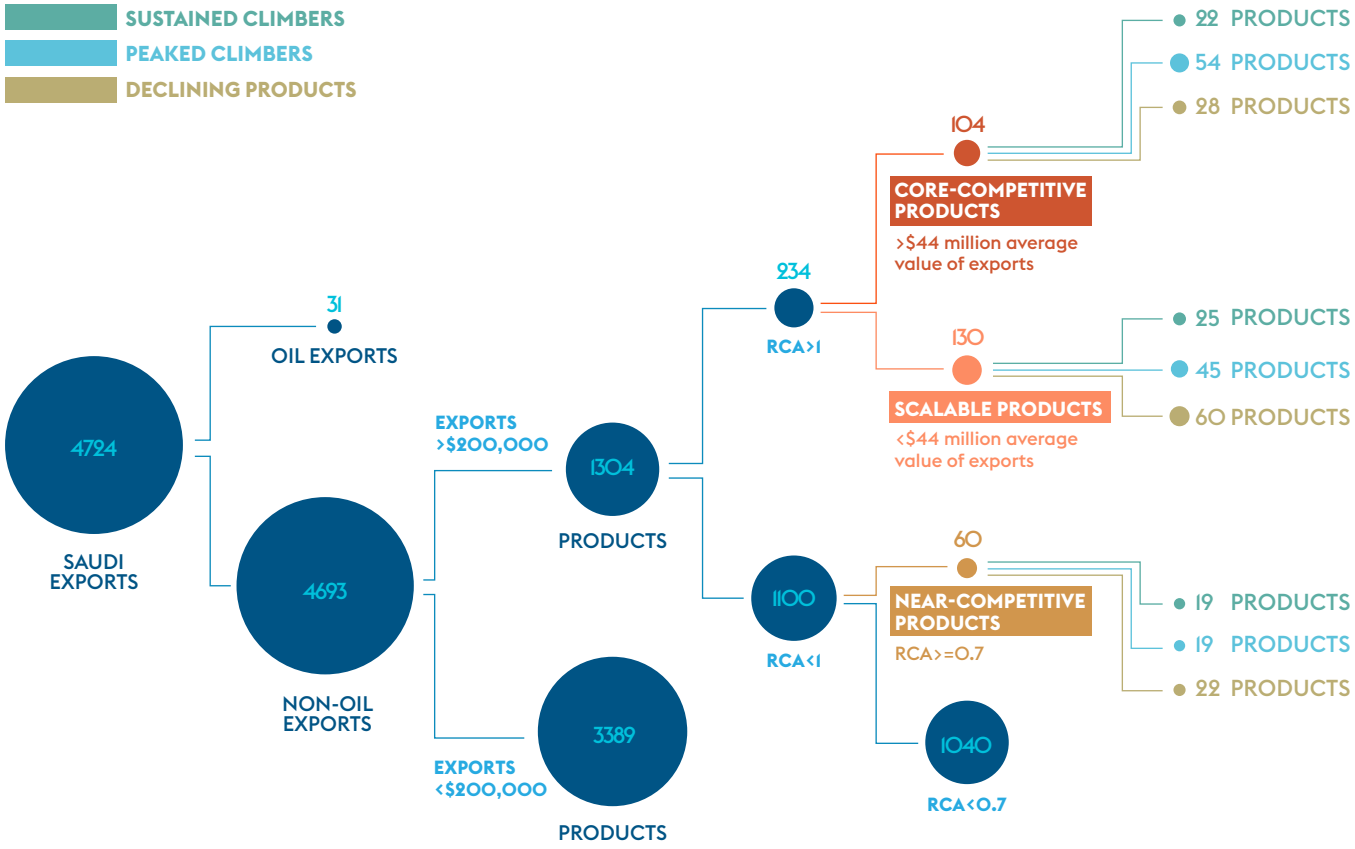
Among the 1304 products with export values meeting the commercial viability threshold, 234 products have an RCA ≥ 1, indicating strong competitiveness and 60 products are in the 0.70–0.99 (near-competitive) range. For focused strategic analysis, this research focuses on the 294 products with an RCA of 0.70 or above. These include both competitive and near-competitive products that are most viable for scaling under the right policy conditions. They span 56 sectors and contribute $49.6 billion, or 85% of the retained non-oil export value.

Figure 2: Product typology definition and differentiation



To guide policy design and export development strategy, the 294 high-potential products are grouped into three product typologies based on competitiveness and export scale. This framework enables KSA policymakers to prioritize interventions based on both structural competitiveness and observed market performance (Figure 3).

Figure 3: Strategic mapping of Saudi Arabia's export basket between 2020 and 2024



Source: UN Comtrade, SG analysis

Limitations and Mitigation

This analysis is subject to two main data limitations, both addressed through transparent and methodologically consistent adjustments:

Incomplete 2024 Export Data: At the time of extraction (April 2025), monthly export data for 2024 were only available until October. To estimate full-year figures, we obtained monthly total export data from the General Authority of Statistics; then we calculated the percentage increase in national exports from October to December 2024 and applied this growth rate uniformly to all HS6 products. This extrapolation aligns product-level estimates with macroeconomic trends.

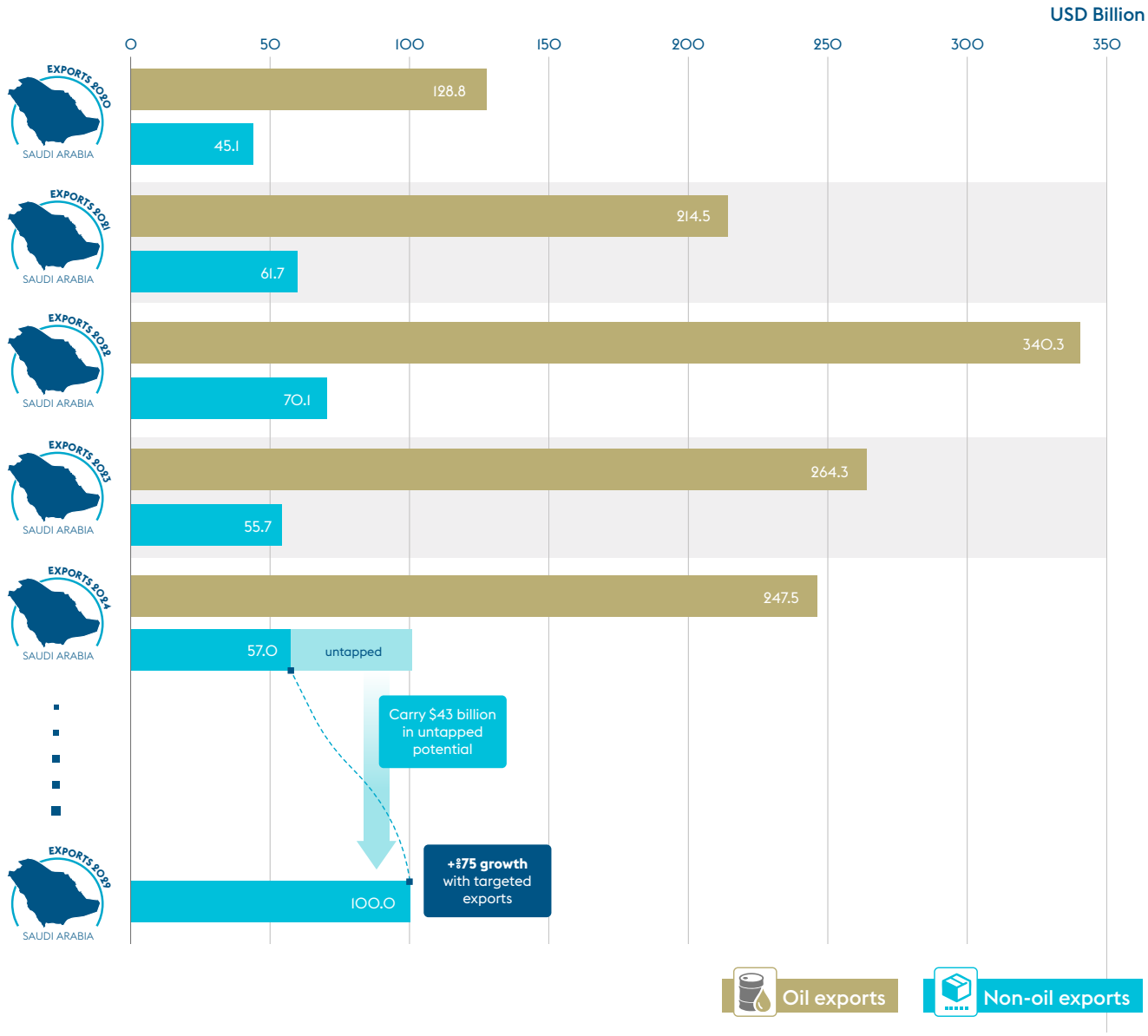
Data Anomalies in 2023: An unusually large value was recorded under HS code 999999 ("commodities not elsewhere specified") in 2023, mainly due to misclassified oil exports. Given unresolved uncertainty over potential non-oil misallocations in that category, all HS 999999 entries were excluded to safeguard the integrity of the non-oil dataset.

3 SAUDI EXPORTS
CURRENT-STATE ASSESSMENT

This section provides a macro-level review of Saudi Arabia's merchandise export trends between 2020 and 2024, with a focus on the evolving composition of export categories and destinations. Tracking export composition, product variety, and market reach offers a proxy for assessing the depth and direction of Saudi Arabia's diversification strategy.

Saudi Arabia's total merchandise exports (incl. re-exports) reached $304 billion in 2024—a 75% increase over 2020 levels. This growth was driven by a strong post-pandemic rebound, which peaked in 2022 at $410 billion before declining in subsequent years due to falling oil prices and deliberate output reductions under supply management agreements. **While oil still dominates the export portfolio, its relative share declined from 80% in 2022 to 73% in 2024.**

Figure 4: KSA oil and non-oil exports, since 2020



Source: GASTAT and International Trade Center

Product diversification and market reach

The composition of non-oil exports reveals a steady expansion in product diversity. In the last year of full data in 2023, the Kingdom exported 2273 distinct non-oil products, the highest count in at least four years (Figure 5). This includes 297 products that were added to the export basket for the first time in four years, while 80 products dropped out of the basket in the same period. Analysis of the 297 new product lines shows a clustering effect in several capital- and technology-intensive sectors.

Two sectors alone—industrial machinery and boilers, and electronic equipment—accounted for 66 new products, representing more than 20% of the additions. Chemicals formed the next major cluster, with around 30 new products across organic, inorganic, and unspecified chemicals. Saudi Arabia's export destinations expanded as well. In terms of destinations, the Kingdom in 2023 shipped goods to 168 countries, adding five new markets it never exported to since at least 2020: four small island economies and Iran. Only one market, Botswana, dropped off the list.

Figure 5: Number of distinct non-oil products exported by Saudi Arabia across five years

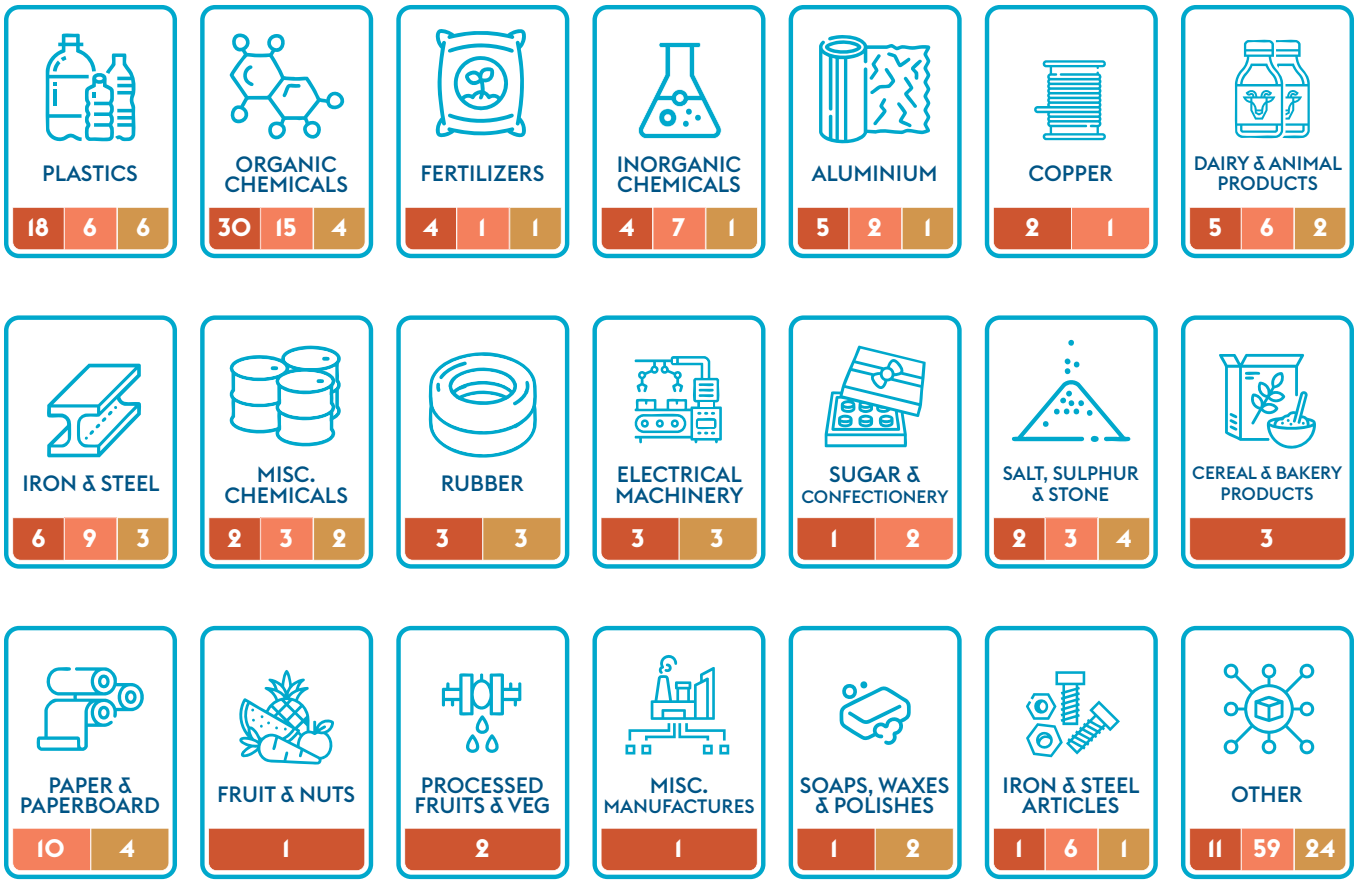
Source: UN Comtrade

4 NON-OIL EXPORTS
THE POTENTIAL

This section breaks down Saudi Arabia's high-performing and high-potential non-oil exports to identify the most strategic levers for accelerating export diversification. It focuses on 294 products where the Kingdom either holds a competitive edge or is approaching one. The findings are threefold:

Core-competitive products	**They dominate the export landscape:** They generate 80% of non-oil revenues, yet remain 23% below their 2022 peak, with a $29 billion recovery potential—largely concentrated in plastics, organic chemicals, and fertilizers.
Scalable products	**Though smaller in revenue, they offer high upside:** With the right market and policy support, their exports could nearly double by 2029, especially in chemicals, dairy, glass, and iron and steel.
Near-competitive products	**They present a quick-win opportunity:** They already earn $1.57 billion annually and could grow by another $1.3 billion with marginal improvements, particularly in paper and salt and minerals.

Figure 6: Distribution of products across the three typologies for the largest export sectors by value



Source: UN Comtrade, SG analysis

The 294 products analyzed span 56 distinct sectors, with most sectors encompassing more than one product. Because each product is assigned to a typology, a single sector can comprise all three strategic typologies (Figure 6). Among the top 20 export sectors, the strongest three (organic chemicals, plastics, and fertilizers) are dominated by core-competitive products, confirming their export promise.

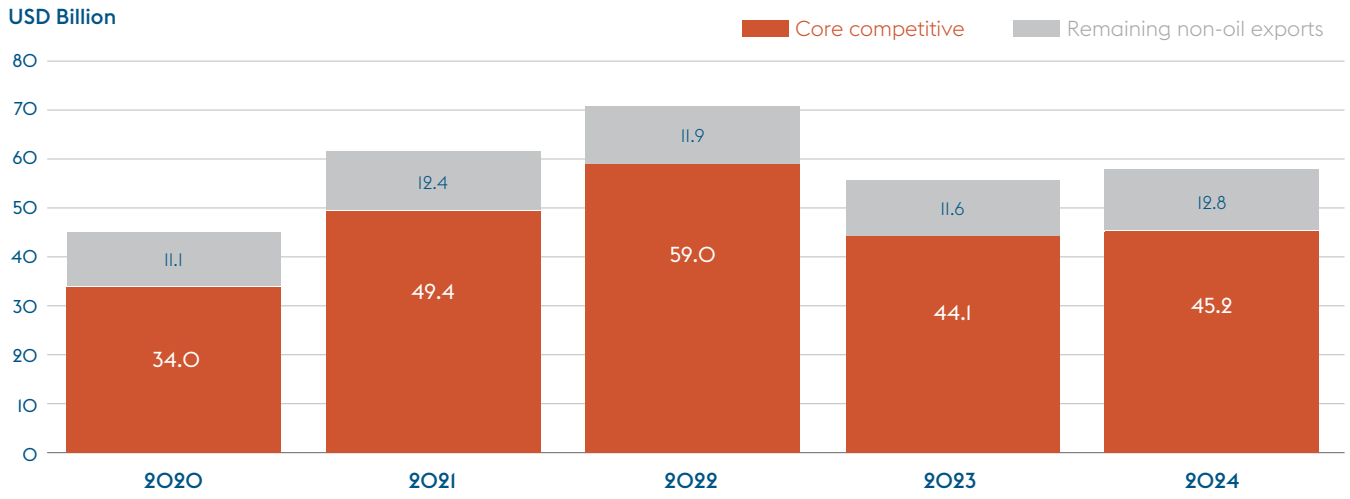
Scalable products form the largest share, representing about half of all listings. Sectors like paper, iron and steel, and dairy mostly fall under this typology, signaling ample room for export growth. Near-competitive products are the smallest slice (one-fifth) and cluster in sectors like salt and rubber.

Together, these product groups point to a concentrated but actionable export strategy: a small number of sectors account for most of the Kingdom's current strength and future opportunity. The sections that follow examine each group in detail, highlighting where Saudi Arabia is gaining ground, where targeted support could unlock rapid gains, and where structural barriers must be addressed to realize the Kingdom's export ambitions.

Core Competitive Products: Small basket, outsized impact

Just 104 non-oil products—representing 8% of KSA's non-oil export basket—account for 80% of total non-oil export earnings. Between 2020 and 2024, these products averaged $46 billion in annual exports (Figure 7), yet in 2024 they were 23% below their 2022 peak. **Closing this unrealized potential, estimated at $29.3, would lift total exports from this group to nearly $76 billion by 2029.**

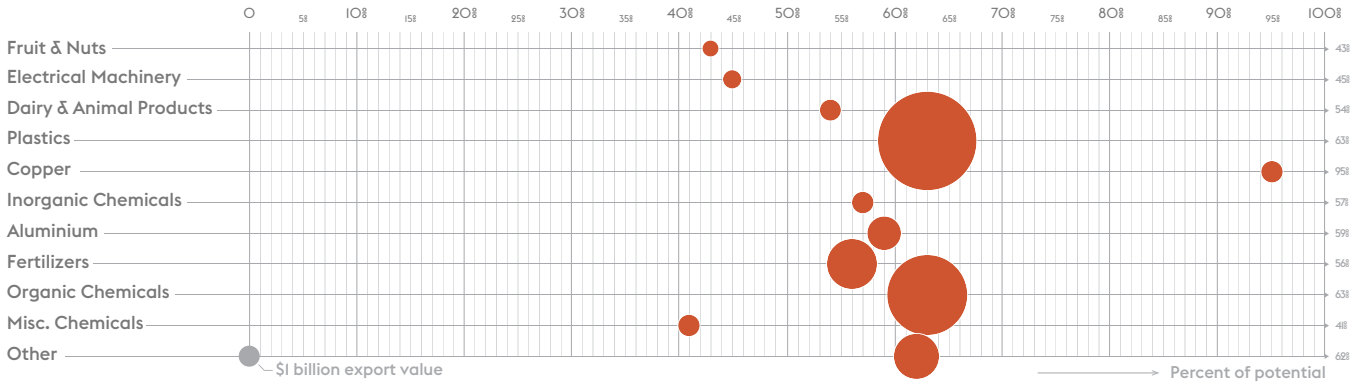
Figure 7: Total export value of core competitive products over five years



Source: UN Comtrade, SG analysis

These core-competitive products represent the Kingdom's most revenue-generating non-oil export lever. Their importance lies not just in magnitude, but in concentration: plastics, organic chemicals, and fertilizers make up half the products, generate 76% of revenues, and account for 73% of unrealized potential (Figure 8). In practical terms, around 50 products in three sectors drive $21.5 billion of the $29 billion opportunity.

Figure 8: Current revenues and untapped potential of core competitive products across sectors



Source: UN Comtrade, ITC Export Map, SG analysis

Strategic Priorities by Product Typology

Core-competitive products are grouped into three typologies based on recent performance trends: sustained climbers, peaked climbers, and declining products.

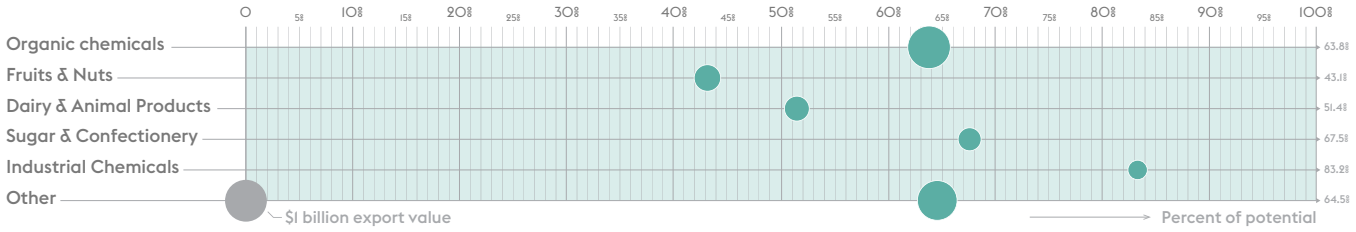
Core Competitive Products | **Sustained Climbers**

This typology includes 22 products that have recorded continuous export growth since 2020 and reached new peaks in 2024. **Together, they earned $3.96 billion on average and hold $2.46 billion in additional potential.** Growth is sharply concentrated in organic chemicals, which account for 31% of this untapped value and could see exports rise from $1.3 billion to $2.1 billion (Figure 9), with acyclic ethers alone carrying $743 million in additional potential.

Outside chemicals, the edible fruits and nuts category, dominated by the Kingdom's high-quality date exports, also presents significant growth prospects. These could more than double by 2029 with targeted support in branding, market access, and value-added processing.

These products are still climbing. Policy should focus on protecting their upward momentum through targeted investment, export financing, and market development.

Figure 9: Current revenues and untapped potential of core competitive sustained climbers across sectors



Source: UN Comtrade, ITC Export Map, SG analysis

Core Competitive Products **Peaked Climbers**

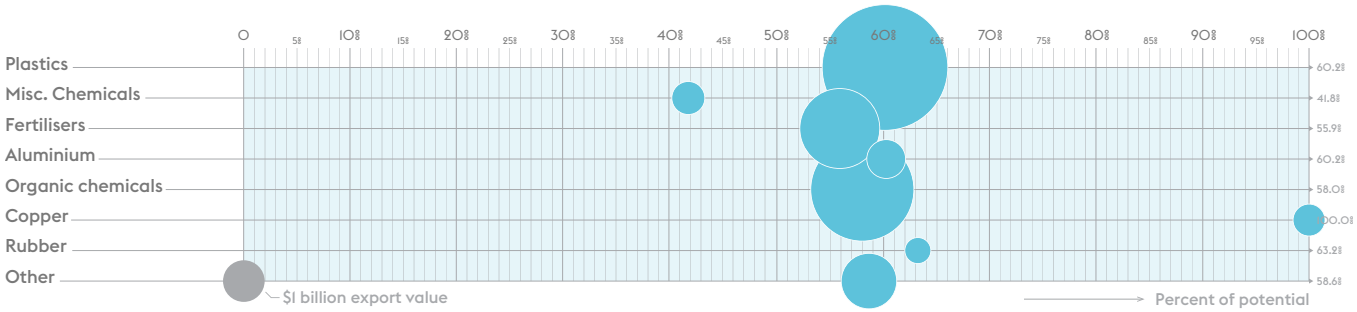
The largest group, containing 54 products, are peaked climbers: products that previously grew but have since plateaued. They currently generate $28.3 billion, around 60% of core-competitive exports, and hold $19.4 billion in export potential (Figure 10). If realized, their combined total would reach $48 billion by 2029.

Plastics, organic chemicals, and fertilizers again dominate, contributing more than 80% of both current earnings and unrealized potential. Leading products include:

- **Ethylene polymers**, with up to $7 billion in additional export potential;
- **Alcohols and cyclic hydrocarbons** within organic chemicals, together accounting for $4.6 billion.

This group consists of mature product lines that can recover quickly with capacity expansion, trade facilitation, and export promotion.

Figure 10: Current revenues and untapped potential of core competitive peaked climbers across sectors



Source: UN Comtrade, ITC Export Map, SG analysis

Core Competitive Products **Declining Products**

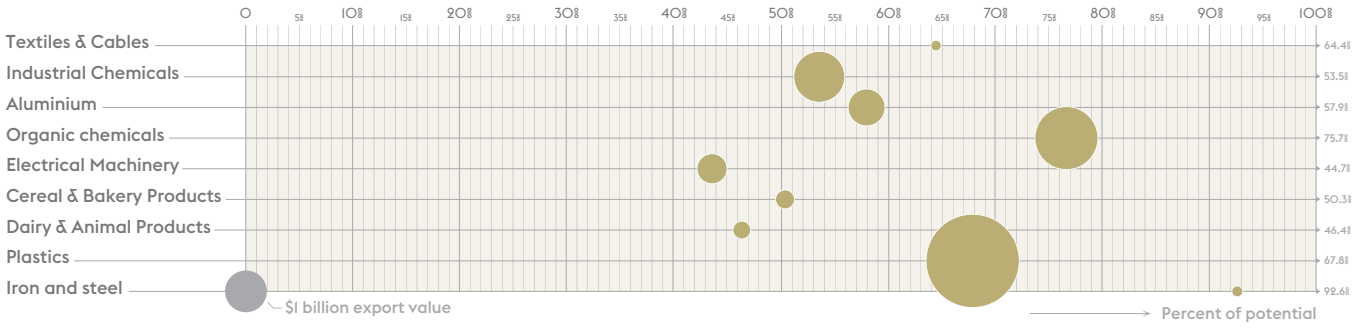
The remaining 28 products are declining products, having contracted from earlier peaks. **Despite this, they still generated $14 billion in 2024 and hold $7.5 billion in additional export potential**—raising their possible total export volume to $21.5 billion (Figure 11).

As in the other typologies, plastics, organic chemicals, and inorganic chemicals lead, accounting for 86% of revenues and 78% of unrealized growth. Three products stand out:

- **Propylene**, with projected growth to $8.5 billion;
- **Ether-alcohols and ammonia,** which together could contribute nearly $5 billion.

While some of these products may face permanent structural limits, others remain viable if supported by cost reduction, process upgrading, or re-integration into regional value chains.

Figure 11: Current revenues and untapped potential of core competitive decliners across sectors



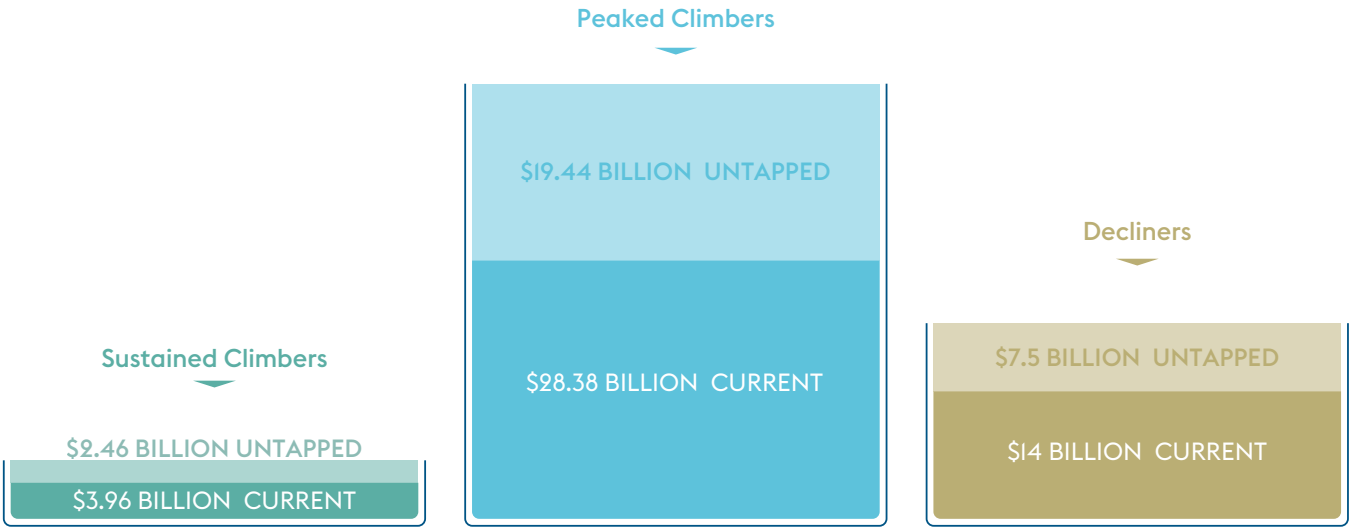
Source: UN Comtrade, ITC Export Map, SG analysis

Core Competitive Products — What Success Looks Like

Only 21% of core-competitive products currently qualify as sustained climbers. The remaining 79%—peaked or declining products—contain the bulk of the $29 billion in export potential. **Capturing the potential does not require starting from scratch, but rather focusing on what already works.**

By scaling up sustained climbers, reigniting momentum in peaked climbers, and recovering high-potential decliners, the Kingdom can raise core-competitive non-oil exports from $46.3 billion to nearly $76 billion by 2029. Within that, plastics and organic chemicals alone would reach around $50 billion.

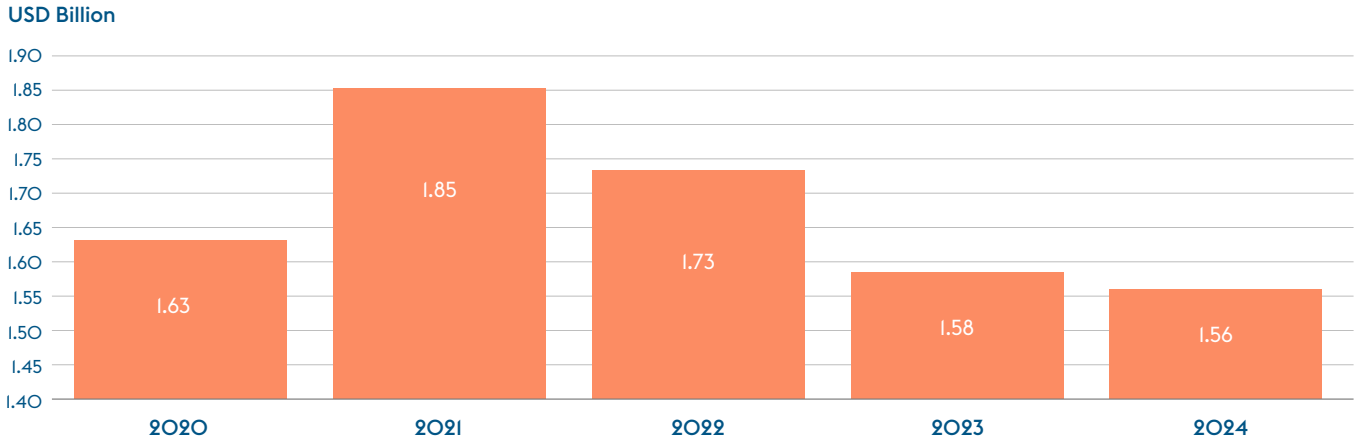
This is a concentrated, high-return opportunity. The Kingdom's export transformation does not hinge on new sectors or speculative bets. It hinges on targeted interventions in a relatively small number of proven products to drive the next phase of growth.



Scalable Products: High competitiveness, low volume

While they account for only around 3% of KSA's total non-oil export revenues, the Kingdom's scalable non-oil products represent the largest share of its competitive product base by count. Comprising 130 products across 40 sectors, these are items with strong revealed comparative advantage but currently underperforming in commercial terms. Between 2020 and 2024, this group averaged $1.67 billion in exports per year, with 2024 export levels 4% below 2020 and 16% below their 2021 peak—a sharp indicator of unfulfilled potential (Figure 12).

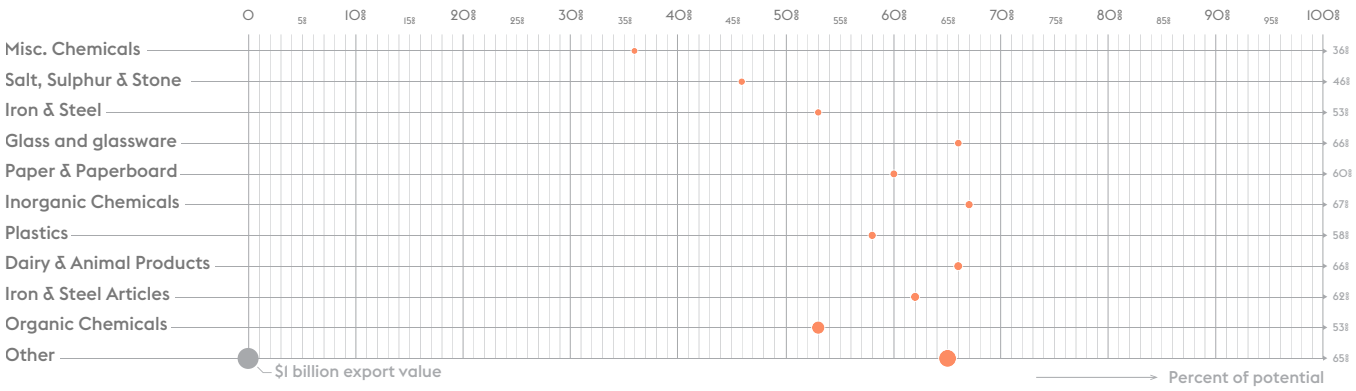
Figure 12: Total export value of scalable products over five years



Source: UN Comtrade, SG analysis

This group is defined by latent capacity: these are products that KSA is already competitive in, but that have not scaled due to market access barriers, insufficient batch volumes, limited financing, or lack of recognition in procurement channels. Organic chemicals alone account for 15% of the group's export value, underscoring once again the strategic role of KSA's chemical sector in export diversification (Figure 13).

Figure 13: Current revenues and untapped potential of scalable products across sectors



Source: UN Comtrade, ITC Export Map, SG analysis

Strategic Priorities by Product Typology

Scalable Products — **Sustained Climbers**

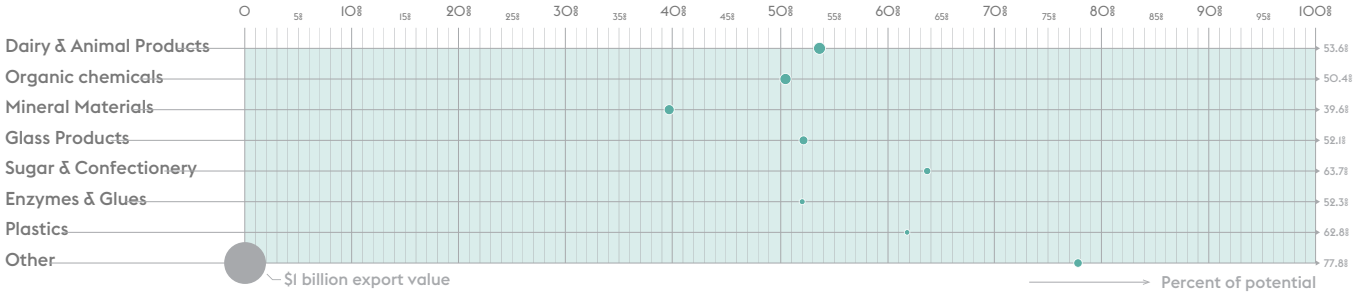
This group includes 25 products that reached a new export peak in 2024. **Collectively, they generated $347 million in exports and hold $292 million in additional potential.** In other words, their value could nearly double by 2029 with appropriate support (Figure 14).

Nearly two-thirds of this export value is concentrated in four sectors: organic chemicals, dairy products, glass and glassware, and salt and minerals. These sectors also account for 80% of the untapped value within the typology. Individual products driving this potential include:

- **Acyclic hydrocarbons and acids** under organic chemicals,
- **Milk, cream, and dairy spreads** under dairy,
- **Sand** under salts and minerals, and
- Float, surface-ground, or polished **glass** in the glass sector.

Together, these sectors account for $460 million, or 72% of the total potential in this group. These are commercially proven products that are beginning to gain traction. Policy should focus on scaling production, securing certifications, and building out export logistics before they plateau.

Figure 14: Current revenues and untapped potential of scalable sustained climbers across sectors



Source: UN Comtrade, ITC Export Map, SG analysis

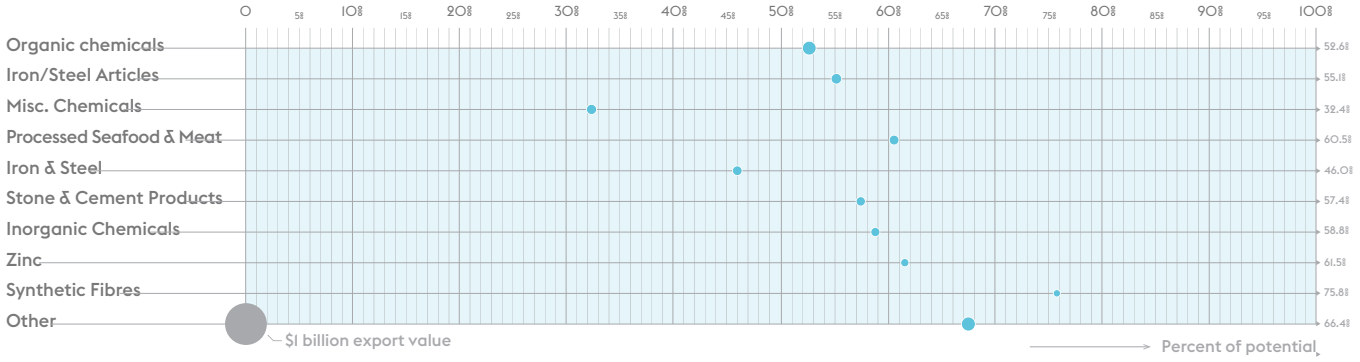
Scalable Products — **Peaked Climbers**

The 45 peaked climbers account for $617 million in exports but have declined from earlier highs. They hold $483 million in recoverable potential, which, if realized, would lift the group's total to more than $1 billion (Figure 15).

This group is dominated by chemicals, along with iron and steel. Four of the top export drivers across sectors—iron pipes, sodium hydroxide, cement, and acyclic polyamines—collectively represent around 30% of the typology's total potential exports , or $297 million.

These products have strong foundations but need renewed commercial momentum. Interventions might include trade promotion, technology upgrading, and re-engagement with international procurement platforms.

Figure 15: Current revenues and untapped potential of scalable peaked climbers across sectors



Source: UN Comtrade, ITC Export Map, SG analysis

Scalable Products | **Declining Products**

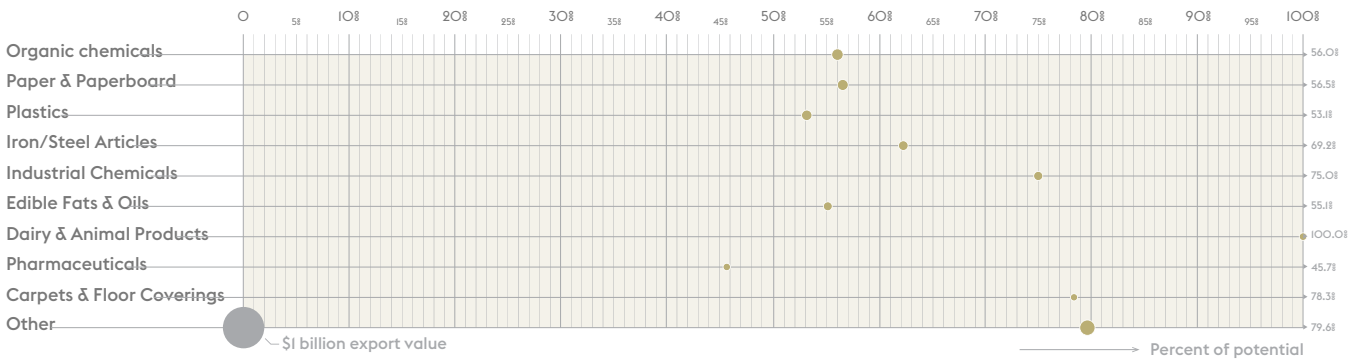
The 60 declining products represent almost half of the group. Theycurrently generate $707 million in export earnings and hold $348 million in additional potential. (Figure 16).

The leading sectors are organic chemicals ($78 million in current exports) and paper and paperboard ($72 million). While some of these sectors, like dairy and glass, have limited upside, others—including organic chemicals and paper—have $116 million in combined potential. Key product-level drivers include:

- **Corn oil**, which could grow from $44 million to $80 million by 2029,
- **Uncoated, crinkled, and creped papers**, projected to grow to $100 million,
- **Heterocyclic compounds and pentaerythritol**, with $83 million in total potential, and
- **Plastic tubes** which are expected to grow from $36 million to $83 million.

This group requires a selective recovery strategy. Not all products merit intervention, but high-performing lines with global demand and cost-effective production bases could be reactivated with modest policy support.

Figure 16: Current revenues and untapped potential of scalable decliners across sectors



Source: UN Comtrade, ITC Export Map, SG analysis

Scalable Products **What Success Looks Like**

Scalable products present a compelling opportunity to expand KSA's non-oil export base without new product discovery. With appropriate support:

- Sustained climbers could rise from $348million to $640 million,
- Peaked climbers could climb from $617 million to $1.1 billion, and
- Declining products could be lifted from $707 million to nearly $1.05 billion.

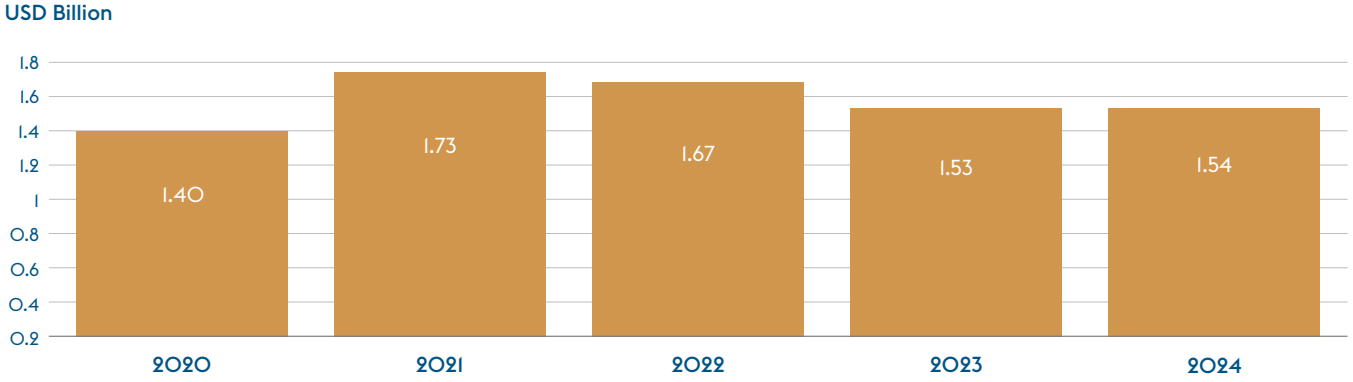
This would bring total exports from the group to almost$2.8 billion by 2029, compared to $1.67 billion today—a 67% increase. The top ten sectors already account for the vast majority of both value and potential. Organic chemicals alone could reach $470 million, solidifying its position as the backbone of the scalable group.

With focused, typology-specific interventions, scalable products offer the Kingdom a cost-efficient pathway to double exports in high-RCA sectors and move a significant share of competitive products closer to full commercial realization.

Near-Competitive Products: A quick win portfolio

The near-competitive product group consists of 60 non-oil products that already exhibit credible performance in global markets and are on the cusp of full competitiveness. These products currently generate $1.57 billion annually (Figure 18) and hold an additional $1.27 billion in unrealized potential, bringing their total export potential to $2.85 billion. With targeted policy support, they could transition into the core- or scalable-competitive categories.

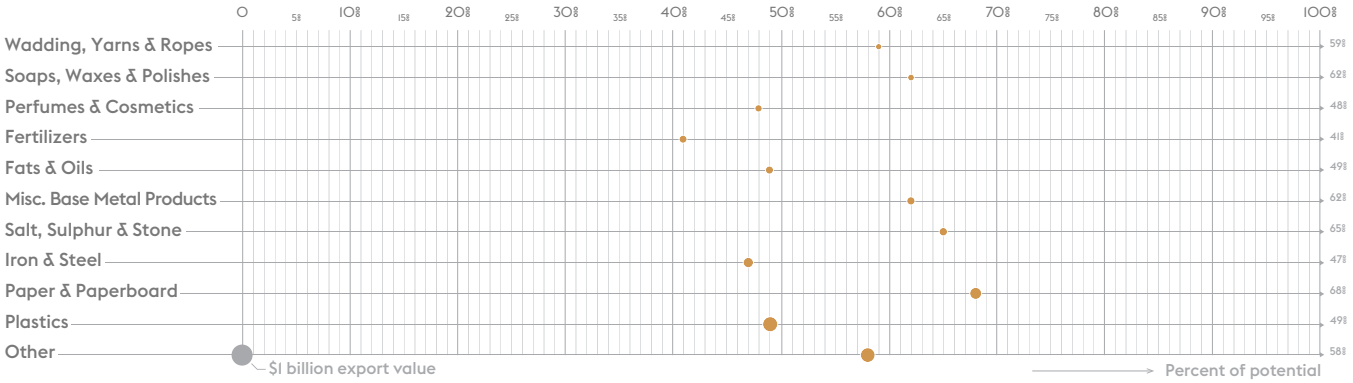
Figure 18: Total export value of near-competitive products over five years



Source: UN Comtrade, SG analysis

These products span 29 sectors, though export activity is heavily concentrated in four: plastics, paper and paperboard, iron and steel, and salt and sulfur, which together account for half of total exports in this group (Figure 16). Plastics again feature prominently, underlining their centrality across all segments of the Kingdom's industrial export base. **The group also includes fast-growing outliers: notably, exports of coffee, tea, and spices surged by 1,345% between 2020 and 2024**, driven primarily by a spike in spice exports from $1.8 million to $27 million.

Figure 19: Current revenues and untapped potential of near competitive products across sectors



Source: UN Comtrade, ITC Export Map, SG analysis

Strategic Priorities by Product Typology

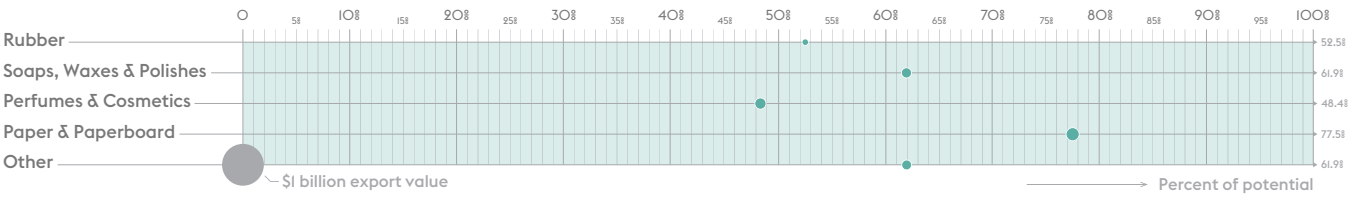
Near-Competitive Products | **Sustained Climbers**

This group includes 19 products that reached a new export high in 2024, earning $350 million in exports and holding $204 million in additional growth potential. Three sectors dominate: paper and paperboard, perfumeries and cosmetics, and soaps and detergents (Figure 19).

While paper and paperboard leads in current revenue—contributing $140 million, or 40% of the typology total—it is perfumeries that hold the highest unrealized potential, with $67 million, exceeding their current export level. Altogether, these three sectors can generate $148 million in additional exports and reach $417 million by 2029.

The product-level opportunities are clearly defined: carton boxes in paper, shampoos in perfumeries, and various forms of soap in personal care. These are commercially viable, well-aligned with market demand, and require modest support, in the form of branding, certification, and export logistics to break into full competitiveness.

Figure 19: Current revenues and untapped potential of near competitive sustained climbers across sectors



Source: UN Comtrade, ITC Export Map, SG analysis

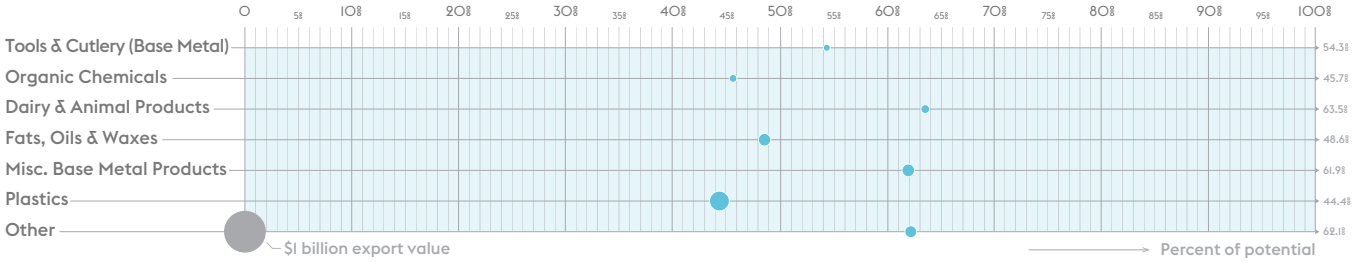
Near-Competitive Products **Peaked Climbers**

Nineteen products are classified as peaked climbers, having achieved prior growth but plateaued before 2024. They currently generate $560 million and hold $519 million in untapped potential (Figure 20). If recovered, this typology could contribute more than $1 billion in exports.

Exports are concentrated in plastics and miscellaneous articles of base metal, with support from animal and vegetable fats. Three products—vinyl chloride, caps and lids, and oxidized fats—together account for $334 million, or roughly 64% of the group's growth potential.

Vinyl chloride, a key plastic intermediate, alone could generate $187 million, raising its total exports to over $300 million. Caps and lids offer an additional $64 million, while oxidized fats are projected to grow by $83 million. These are high-margin industrial inputs that could scale rapidly if re-integrated into regional supply chains and global procurement channels.

Figure 201: Current revenues and untapped potential of near competitive peaked climbers across sectors



Source: UN Comtrade, ITC Export Map, SG analysis

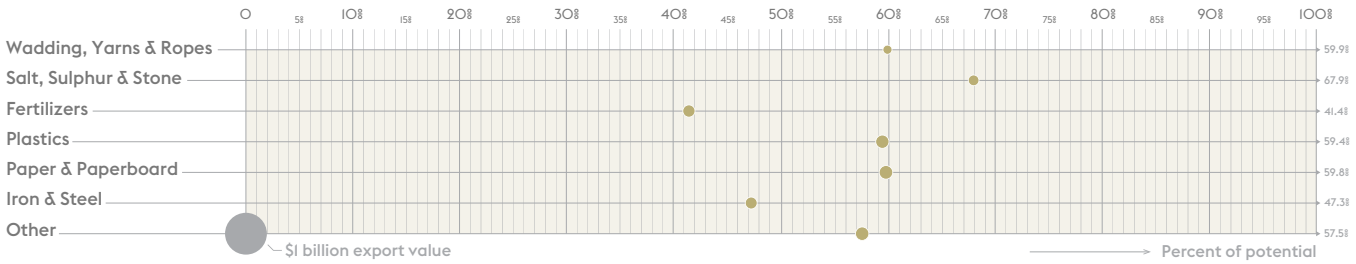
Near-Competitive Products **Declining Products**

The final typology includes 22 products that have contracted from their earlier peaks but still represent the largest value segment in the group. They generated $666 million and retain $547 million in potential gains, pointing to a total opportunity of over $1.2 billion (Figure 21).

Exports are largely concentrated in plastics, paper and paperboard, and iron and steel, which collectively account for $361 million, or 54% of the group's total. At the product level, three items alone—plastic bottles, folding cartons, and non-alloy steel coils—account for $283 million in unrealized value, more than half of the total.

Some products like iron coils have the potential to more than double current exports. Others, such as fertilizers and certain packaging materials, show more modest but still meaningful growth if supply-side constraints are addressed. Interventions should focus on selective recovery, targeting products with strong demand fundamentals and manageable cost structures.

Figure 21: Current revenues and untapped potential of near competitive decliners across sectors



Source: UN Comtrade, ITC Export Map, SG analysis

Near-Competitive Products **What Success Looks Like**

Despite modest current performance, near-competitive products offer one of the fastest ways to lift KSA's non-oil exports. Their combination of existing market presence and significant headroom makes them prime candidates for targeted upgrading. By 2029:

- Sustained climbers could grow from $350 million to $554 million,
- Peaked climbers could rebound from $560 million to more than $1 billion, and
- Declining products could climb from $666 million to over $1.2 billion.

This would bring the group's total exports to $2.85 billion, a 81% increase over current levels. While plastics remain the highest-potential sector, remaining sectors likr paper, iron, and specialty chemicals offer meaningful second-tier gains if treated as a portfolio.

The Kingdom does not need to wait for new sectors to mature. It can achieve fast wins by nudging near-competitive products across the line. With the right policy tools, such as targeted support for certification, packaging, logistics, and trade facilitation, this group can become a **low-cost, high-return pillar** of the Kingdom's export diversification strategy.

5 LOOKING AHEAD:
FOUR STRATEGIC PATHWAYS TO REALIZE EXPORT POTENTIAL

The analysis presented in this report confirms that Saudi Arabia's non-oil export expansion can be driven by a targeted, evidence-based approach that focuses on a concentrated set of high-potential products. Across the 294 products assessed, the Kingdom has the opportunity to unlock around $32 billion in additional annual export value by 2029. This does not require broad, indiscriminate support for all exporters, but rather four distinct strategies, each aligned with the structural realities of different product types.

These strategies move beyond sectoral generalizations and instead treat products as policy portfolios, each with their own growth dynamics, barriers, and institutional needs.

1 SCALE WHAT IS ALREADY WORKING

TARGET GROUP: ■ Core-Competitive and **Sustained Climbers**
STRATEGIC GOAL: Consolidate and expand the market share of globally successful products .

This group comprises a small set of mature, fast-growing export lines that have delivered consistent growth over the past five years. These products range from high-grade chemicals to premium agri-foods and are commercially viable and structurally competitive.

The national priority here is to ensure these products do not dip or plateau. **This will require sustained investment in technology upgrading, market diversification, and supply chain efficiency**, while safeguarding the international positioning these products have already achieved. Strategic partnerships, including with lead firms and major buyers, can further anchor their global reach. This will also require **investment in product quality to preserve price premiums in markets and cushion exporters against low-cost imitators** to keep the Kingdom ahead of the curve.

2 RECLAIM UNDERPERFORMING STRENGTHS

TARGET GROUP: ■ Core-Competitive, **Peaked** and **Declining** Products
STRATEGIC GOAL: Reactivate export potential in legacy product lines with strong fundamentals.

Many of Saudi Arabia's highest-revenue products—particularly in plastics and chemicals—have experienced stagnation or decline, despite continued global relevance. These products represent the largest single source of unrealized export value in the Kingdom's non-oil portfolio.

Rather than phasing them out, **the strategy should focus on revitalization through targeted capacity upgrades, strategic repositioning in international markets, and addressing bottlenecks in logistics and production ecosystems.** These are proven product lines that can rapidly scale if re-aligned with demand and operationalized through renewed investment.

3 UNLOCK LATENT CAPACITY

TARGET GROUP: ■ Scalable Products
STRATEGIC GOAL: Help commercially viable products achieve export scale.

The scalable group includes a wide array of competitive but under-exported products. While already capable of competing globally, they remain commercially under-leveraged due to structural barriers such as batch-size constraints, certification gaps, and market access challenges.

A national approach to this group should emphasize export readiness, supply aggregation, and market visibility. Rather than focusing on individual firms or sectors, **this strategy should prioritize systemic enablers, such as export promotion platforms, targeted financing, and technical support facilities, that lift multiple products across the scale threshold.** Scaling these products is not a matter of discovering competitiveness; it is a matter of delivering it at volume.

4 PUSH THE NEARLY COMPETITIVE ACROSS THE THRESHOLD

TARGET GROUP: ■ Near-Competitive Products
STRATEGIC GOAL: Transition viable products into globally competitive export lines.

Near-competitive products are often overlooked despite being one step away from global viability. They already perform reasonably well but lack the final push—be it in cost competitiveness, quality certification, or production efficiency—to become sustainable contributors to national export earnings.

The recommended strategy is to implement selective, light-touch upgrading mechanisms, guided by product diagnostics and market signals. These products can graduate into full competitiveness with minimal intervention, making them an efficient target for performance-based support, especially in sectors like packaging, intermediate goods, and specialty consumer products.

5 FURTHER RESEARCH: THE CASE FOR PRODUCT-LEVEL INTELLIGENCE

While the typology framework presented here provides a useful starting point, future iterations of export strategy must be informed by deeper product-specific analysis. In particular, further work is needed to distinguish whether underperformance stems from:

- **Endogenous constraints,** such as loss of market share, price competitiveness, or branding shortfalls.
- **Exogenous factors,** such as global demand contraction or structural shifts in buyer preferences.

Such differentiation will allow the Kingdom to target interventions where they are warranted—while reorienting support away from products whose global markets are in irreversible decline. Integrating product-level trade intelligence, demand monitoring, and competitor benchmarking into policy cycles will significantly improve the precision and efficiency of export development efforts.

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