

KINGDOM OF SAUDI ARABIA

MILLENNIUM DEVELOPMENT GOALS

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2010 G**



Ministry of Economy and Planning



UN – DESA



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**IN THE NAME OF GOD
THE COMPASSIONATE
THE MERCIFUL**

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List of Abbreviations and Acronyms

AIDS	Acquired Immune Deficiency Syndrome
HIV/AIDS	Human Immunodeficiency Virus/ Acquired Immune Deficiency Syndrome
CDSI	Central Department of Statistics and Information
DOTS	Directly Observed Treatment Shortcourse
GHA	General Housing Authority
IDB	Islamic Development Bank
IMF	International Monetary Fund
KACST	King Abdulaziz City for Science and Technology
MDGs	Millennium Development Goals
MIGA	Multilateral Investment Guarantee Agency
MOCI	Ministry of Commerce & Industry
MOEP	Ministry of Economy and Planning
MOH	Ministry of Health
OPEC	Organization of Petroleum Exporting Countries
SFD	Saudi Fund for Development
T.B.	Tuberculosis
WFP	UN World Food Programme
UNDP	The United Nations Development Programme

INTRODUCTION

Over the last two decades, several international summits and conferences were convened, with the aim of formulating a common development vision that would respond to existing needs and would rise to the new challenges; all within a framework of partnership at both the national and international levels. A large number of topics were addressed, including: population, social development, women and gender equality, human settlements, children, the elderly, education, human rights, information technology, and sustainable development. These forums were responsible for producing a substantial momentum for attaining integration of effort and for intensifying action at all levels in order to achieve the stated objectives.

International efforts to stress the fundamental links among peace, security and development, as well as to provide a comprehensive vision for development and progress, culminated with the "Millennium Declaration" made by a summit of 147 heads of state, organized by the United Nations in September 2000. Subsequently, a system was developed to monitor progress towards a set of 8 general goals that came to be known collectively as the Millennium Development Goals (MDGs):

- Eradicate extreme poverty and hunger.
- Achieve universal primary education.
- Promote gender equality and empower women.
- Reduce child mortality.
- Improve maternal health.
- Combat HIV/AIDS, malaria and other diseases.
- Ensure environmental sustainability.
- Develop a global partnership for development.

Twenty-one targets, derived from the general goals, are to be achieved by 2015, and 58 indicators, several for each target, have been developed to monitor implementation and measure progress.

Progress towards achieving the MDGs is monitored at both the international and national levels. Every five years, the UN Secretary General submits to the UN General Assembly a comprehensive progress report. At the national level, each country is required to prepare national reports that reflect progress towards achievement of the MDGs.

The objective of the national reports, which feature indicators and analysis of progress, is to inform decision-makers and gain their support, and ultimately resulting in the formulation of adequate policies. The reports also serve to involve economic, social, and political institutions and the media, as well as the general public, in local and national efforts to achieve the MDGs.

Out of its keenness to adopt the global vision in this regard in accordance with Islamic norms and values, and to monitor progress towards meeting the MDGs, the Kingdom of Saudi Arabia issued its first national report in 2002, followed by a second report in 2006 a third one in 2008 and a fourth one in 2009. The present report is the fifth in the series. All five reports were prepared by the Ministry of Economy and Planning, in close collaboration with the relevant government agencies, and with support from the United Nations Development Program (UNDP) and the United Nations Department of Economic and Social Affairs (UN/DESA) .

The report charts the progress made by the Kingdom towards achieving the MDGs at four levels:

- 1st. Accelerating development of the IT environment, making it possible to speed up achievement of the MDGs, through considerable expansion of databases.
- 2nd. Integration of the MDGs into sustainable development, as laid out through the development plans in general and the Eighth and Ninth Development Plans in particular.
- 3rd. Persistent efforts to achieve, even surpass, the MDGs ahead of the schedule set by the UN.
- 4th. The considerable momentum in development assistance extended by the Kingdom to support MDGs implementation in developing countries. Over the period 1973-2009, the Kingdom extended more than \$99.75 billion in total assistance to developing countries. The amount of aid provided by the Kingdom exceeds the

UN-recommended level of 0.7% of donor countries' GDP. Over 95 developing countries have benefited from the Kingdom's aid.

Saudi Arabia's Eighth and Ninth Development Plans constitute the cornerstone of the endeavours to achieve the MDGs. Not only do these two plans aim, through clarity of strategic vision and mobilization of human and financial resources, to consolidate work at the three above-mentioned levels, but they also seek to build a true partnership between national and global efforts aimed at creating a world of peace, security and development, within the framework of the MDGs.

Available data on implementation of the MDGs in the Kingdom demonstrate that the targets set for a number of goals have already been reached or even surpassed, while others are expected to be reached well ahead of schedule, as can be seen from current growth rates and indicators. Indeed, data cited later in this report show that a wide range of targets have already been reached or are well on their way towards achievement before 2015. It is worth noting in this regard that the Kingdom has already achieved outstanding results towards attainment of the following goals, as will be detailed in this report:

- Eradicate extreme poverty.
- Reduce the proportion of people who suffer from hunger.
- Ensure that all children, boys and girls alike, will be able to complete a full course of primary schooling.
- Eliminate gender disparity in primary, intermediate and secondary education.
- Reduce the under-five mortality ratio.
- Achieve universal access to reproductive health services.
- Reduce maternal mortality.
- Reduce the spread of AIDS.
- Achieve universal access to treatment for HIV/AIDS to all those who need it
- Reduce the incidence of malaria and other major diseases.

- Reduce the proportion of people without sustainable access to safe drinking water and basic sanitation.
- Significantly improve the lives of slum dwellers.

However, the report points out that monitoring of progress towards certain targets/indicators is hampered by lack of data. Nonetheless, ongoing efforts are made to further develop mechanisms to monitor progress towards achieving the MDGs. This will make it possible to overcome relevant challenges within the foreseeable future.

Within the context of the endeavours made to achieve the MDGs, intensive efforts are underway to reach the goals ahead of schedule. In this regard, the MDGs have been integrated into the objectives of the Eighth and Ninth Development Plans, and have been further consolidated into the country's long-term development directions.

OVERVIEW OF MONITORING AND EVALUATION ENVIRONMENT

Target	Ability to Conduct:					Quality of Survey Data
	Data Collection	Statistical Follow-up	Statistical analysis	Incorporating Analysis into Policy	Monitoring / Evaluation	
1. Extreme poverty: By 2015, halve the proportion of people who suffer from extreme poverty.	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor
2. Employment Achieve full and productive employment and decent work for all, including women and young people.	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor
3. Nutrition and food security: By 2015, halve the proportion of people who suffer from hunger.	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor
4. Education: By 2015, ensure that all children have access to primary education.	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor
5. Gender equality: Eliminate gender disparity in primary and secondary education, preferably by 2005, and in all levels of education by 2015.	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor
6. Health and mortality rate: By 2015, reduce by two thirds the under-five mortality rate.	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	Good <u>Medium</u> ✓ Poor	<u>Good</u> ✓ Medium Poor
7. By 2015, reduce by three quarters the maternal mortality ratio.	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor
8. Reproductive health Achieve, by 2015, universal access to reproductive health	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor
9. AIDS By 2015, halt and begin to reduce the prevalence rate of HIV/AIDS.	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor

Target	Ability to Conduct:					Quality of Survey Data
	Data Collection	Statistical Follow-up	Statistical analysis	Incorporating Analysis into Policy	Monitoring / Evaluation	
10. By 2015, halt and begin to reduce the prevalence rate of malaria and other major diseases.	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor
11. By 2015, halt and begin to reduce the prevalence rate of malaria and other major diseases.	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor
12. Integrate the principles of sustainable development into government policies and programs and end the loss of environmental resources.	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	Good <u>Medium</u> ✓ Poor	<u>Good</u> ✓ Medium Poor
13. Reduce biodiversity loss, achieving, by 2010, a significant reduction in the rate of loss	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	Good <u>Medium</u> ✓ Poor	<u>Good</u> ✓ Medium Poor
14. Environment and Water: By 2015, halve the number of people without sustainable access to safe drinking water and sanitation.	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor
15. Housing and Over-crowding: By 2020, achieve tangible improvement in the lives of slum dwellers.	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor	<u>Good</u> ✓ Medium Poor

OVERVIEW OF PROGRESS ACHIEVED

Target	Will Target be Achieved				Current status of Supporting Environment			
1. Extreme poverty: By 2015, halve the proportion of people who suffer from extreme poverty.	<u>Expected</u> ✓	Probable	Not Expected	ID*	<u>Good</u> ✓	Moderate	Poor but improving	Poor
2. Employment Achieve full and productive employment and decent work for all, including women and young people.	Expected	<u>Probable</u> ✓	Not Expected	ID	Good	<u>Moderate</u> ✓	Poor but improving	Poor
3. Nutrition and food security: By 2015, halve the proportion of people who suffer from hunger.	<u>Expected</u> ✓	Probable	Not Expected	ID	<u>Good</u> ✓	Moderate	Poor but improving	Poor
4. Education: By 2015, ensure that all children have access to primary education.	<u>Expected</u> ✓	Probable	Not Expected	ID	<u>Good</u> ✓	Moderate	Poor but improving	Poor
5. Gender equality: Eliminate gender disparity in primary and secondary education, by 2005, and in all levels of education by 2015.	<u>Expected</u> ✓	Probable	Not Expected	ID	<u>Good</u> ✓	Moderate	Poor but improving	Poor

Target	Will Target be Achieved				Current status of Supporting Environment			
6. Health and mortality rate: By 2015, reduce by two thirds the under-five mortality ratio.	<u>Expected</u> ✓	Probable	Not Expected	ID	<u>Good</u> ✓	Moderate	Poor but improving	Poor
7. By 2015, reduce by three quarters the maternal mortality ratio.	<u>Expected</u> ✓	Probable	Not Expected	ID	<u>Good</u> ✓	Moderate	Poor but improving	Poor
8. Reproductive health Achieve, by 2015, universal access to reproductive health	<u>Expected</u> ✓	Probable	Not Expected	ID	<u>Good</u> ✓	Moderate	Poor but improving	Poor
9. AIDS By 2015, halt and begin to reduce the prevalence rate of HIV/AIDS.	<u>Expected</u> ✓	Probable	Not Expected	ID	<u>Good</u> ✓	Moderate	Poor but improving	Poor
10. By 2015, halt and begin to reduce the prevalence rate of malaria and other major diseases.	<u>Expected</u> ✓	Probable	Not Expected	ID	<u>Good</u> ✓	Moderate	Poor but improving	Poor
11. By 2015, halt and begin to reduce the prevalence rate of malaria and other major diseases.	<u>Expected</u> ✓	Probable	Not Expected	ID	<u>Good</u> ✓	Moderate	Poor but improving	Poor

Target	Will Target be Achieved				Current status of Supporting Environment			
12. Integrate the principles of sustainable development into country policies and programs and reverse the loss of environmental resources	<u>Expected</u> ✓	Probable	Not Expected	ID	<u>Good</u> ✓	Moderate	Poor but improving	Poor
13. Reduce biodiversity loss, achieving, by 2010, a significant reduction in the rate of loss	<u>Expected</u> ✓	Probable	Not Expected	ID	<u>Good</u> ✓	Moderate	Poor but improving	Poor
14. Environment and Water: By 2015, halve the number of people without sustainable access to safe drinking water and sanitation.	<u>Expected</u> ✓	Probable	Not Expected	ID	<u>Good</u> ✓	Moderate	Poor but improving	Poor
15. Housing and Over-crowding: By 2020, achieve tangible improvement in the lives of slum dwellers.	<u>Expected</u> ✓	Probable	Not Expected	ID	<u>Good</u> ✓	Moderate	Poor but improving	Poor

^{*)} ID = Insufficient Data.

ECONOMIC AND SOCIAL FRAMEWORK

CURRENT SITUATION

Over the period of the Seventh Development Plan (2000-2004) and the Eighth Development Plan (2005-2009), the Kingdom achieved extensive developmental progress in all fields, as a result of considerable expansion, both quantitative and qualitative, in health, education and social services, and because of the country's prospering economy.

Socioeconomic indicators reflect this progress. Over the past decade (1999-2009), the national economy achieved an average annual real growth rate of 3.37%, with per capita income rising from about SR30,210 (\$8056) at the beginning of the Seventh Development Plan, to around SR55,535 (\$14,809) by the end of the Eighth Development Plan. Moreover, diversification of the economic base increased, with the share of non-oil sectors¹ constituting some 75.2% of total GDP in 2009, despite the remarkable growth of the oil sector in recent years.

The Saudi economy is also becoming increasingly integrated into the global economy, with the ratio of merchandise trade² to GDP reaching some 76.6% by the end of the Eighth Plan (2009). An associated positive development is the improvement of the structure of both exports and imports: the ratio of non-oil merchandise exports to total exports increased from around 8.5% in 2000 to some 15.2% in 2009. On the other hand, the relative share of imports of consumer goods in total imports has declined, which is an indicator of increased reliance on domestic products and their improved competitiveness.

DIRECTIONS OF DEVELOPMENT

The Kingdom adopts the development planning approach in mapping out its socioeconomic policies and programs. Comprehensive five-year plans involve two basic complementary roles: directing state institutions and the public sector, and an indicative

¹) *At constant prices.*

²) *Merchandise exports and imports.*

role that provides guidance to the private sector. In this regard, the Ninth Development Plan (2010-2014), which entered its first year in 2010, sets the directions for all aspects of the country's socio-economic development for the next five years. The plan also addresses major expected challenges, along with the policies, programs and resources required to meet these challenges and to achieve development goals and objectives.

The Plan marks a new stage in the process of development planning, which extends over the past four decades, and constitutes the second phase in the strategic path of the national economy over the coming fifteen years. The MDGs are part and parcel of the goals of this strategic path.

BASIC ISSUES

The following issues hold a strategic position in the Kingdom's development process:

❖ Raising Standard of Living and Improving Quality of Life:

Within a relatively short period of time from beginning of its development process, the Kingdom succeeded in increasing its income many-fold, with per capita income growing at an annual rate of 3.5% over the period 1990–2009. Coupled with similar improvement in human development indicators, this growth has led to the Kingdom being classified, according to the Human Development Index, in the top stratum of countries³. This progress is expected to gain further momentum over the coming period.

❖ Diversification of Economic Base:

Ever since the start of development planning, diversification of the economic base has been a principal objective of economic and social development. The development process placed emphasis on enhancing the role of non-oil sectors in the national economy. Indeed, notable success has been achieved, with the GDP share of these sectors increasing from 48.5% in 1970 to 75.2% in 2009. Nevertheless, developing the non-oil sectors to raise their share in production activities as well as in exports remains one of the main development challenges. It should be noted that diversification of the economic base is a key direction of

³) *The Human Development Index of the Kingdom rose from 0.603 in 1975 to 0.843 in 2007.*
Source: UN Human Development Database <http://hdr.undp.org/statistics>.

the Ninth Development Plan. The significance of this direction is due to its being a necessary condition for building a modern and stable economy based on a wide range of diversified economic resources, with a high degree of close linkages among various economic sectors and activities.

❖ *Oil Revenues:*

Oil revenues have been the main engine of development. Despite expansion and diversification of the economic base, oil revenues remain the main source of state budget revenues that finance investment and operational expenditures. However, as oil resources are non-renewable, increasing focus has been given, through the development plans, to enhance diversification of the economic base as well as non-oil public revenues.

❖ *Balanced Regional Development:*

Efforts made under the country's successive development plans have succeeded in making tangible progress in reducing regional disparities. As a sign of improved indicators of balanced regional development, population mobility estimates for 2008 indicate continued improvement of internal migration compared to the situation in 2004. Improvement in this area is expected to accelerate during the Ninth Plan period in light of continued provision of key infrastructure and services, along with a drive to build a production base that should primarily draw on individual regions' own development resources and potential, and implementation of a national strategy designed to stimulate private investment to move to less developed regions.

❖ *The Move to a Knowledge-based Economy:*

For many years, the Kingdom intensified its effort, with increased endeavors during the period of the Eighth and Ninth Development Plans, to lay the foundations of a knowledge-based economy that can keep pace with, adapt and indigenize accelerating global advancements of knowledge and technology, in addition to domestic generation, dissemination and utilization of knowledge, to further develop and upgrade the structure of the national economy and to raise productivity of various economic sectors. In this regard, several key developments took place during the Eighth Development Plan period. Among these were the initiation of implementation of the first five-year plan of the National Science and Technology Policy; approval of the national ICT plan, and adoption of the

National Industrial Strategy, besides the Strategy of Giftedness, Creativity and Innovation. In addition, construction of the Economic Knowledge City in Medina was initiated, and King Abdullah University of Science and Technology (KAUST) was inaugurated. Furthermore, approval was given to construct the Dammam Technology Zone of the Saudi Authority for Industrial Cities and Technology Zones, while work is underway to prepare a new Higher Education Strategy (Afaq).

The Ninth Development Plan has been keen to consolidate this drive and to further intensify efforts in this area.

❖ *Increased Competitiveness of the National Economy:*

Saudi Arabia is endowed with several resources and capabilities that constitute promising input for development of competitive advantages in production of many goods and services. This is backed up by persistent national efforts aimed at institutional and administrative reform; creation of a business-friendly environment; improving the investment climate; upgrading of performance efficiency of government agencies, and enhancing the drive towards a knowledge-based economy. These efforts have borne fruit, leading to improved ranking of Saudi Arabia in international reports. For example, the Kingdom ranked 13th among 183 countries with respect to ease of doing business; and the Global Competitiveness Report 2009-2010 ranked Saudi Arabia 28th among 133 countries. Such efforts are adopted and pursued as key directions for the Ninth Development Plan.

❖ *Development and Productive Employment of Human Resources:*

Through considerable investments targeted to developing the education and training sector, human development indicators have shown notable gains in the past two decades. However, demand for labour surpassed Saudi labour supply in many professions, necessitating recruitment of large numbers of expatriate labour to meet the demand. This has created a situation that poses a key challenge for Saudization of jobs.

However, the need to match outputs of education and training with the skills and modern specializations required to meet development requirements has gained increasing significance over the past few years, as the mismatch has given rise to structural unemployment among Saudis.

The Ninth Plan has given strong attention to human resources development, through improved enrolment ratios in various education stages; development of the education system to ensure quantitative and qualitative response to development and community needs as well as emerging challenges, and through expansion, development and wide-scale deployment of vocational training programs in all regions of the Kingdom. As a key element in building a knowledge-based economy, human resources development acquires a significant dimension in the Ninth Plan.

❖ *Sustainability of Natural Resources:*

Water resources constitute a vital issue for the Kingdom, due to the fact that the largest share of water consumed for agricultural, municipal and industrial purposes comes from non-renewable resources. Accordingly, sustainable development calls for rationalization of water consumption, and reliance on conventional renewable and other water resources.

On the other hand, conservation of agricultural land and prevention of land degradation or desertification is a major challenge facing sustainable development. The same applies to conservation of forestry as well as conservation and protection of environmental resources.

SUPPORTING ENVIRONMENT FOR ACHIEVING DEVELOPMENT GOALS

A set of integrated factors support the Kingdom's development process. Key among these are:

- *A Successful Development Experience:* Despite recency of the development planning approach, the Kingdom has made significant achievements reflected in all sustainable development indicators. These achievements have been enhanced by proper setting of development priorities throughout the successive development plans, with each plan bearing adequate relevance to prevailing conditions, while ensuring continuity of the development effort.

- ***Modern Infrastructure and Services:*** All regions of the Kingdom are covered by modern infrastructure for transportation, telecommunications, electricity, water, sanitation, and a distribution network for oil products, as well as by health, education, training social and other services.
- ***A Unique Experience in Developing New Comprehensive Development Centres:*** The Kingdom has built two industrial cities in Jubail and Yanbu in record time. The two cities have attained a distinguished status in the petrochemicals industry, both regionally and internationally. As part of the drive to enhance and consolidate the spatial distribution concept in the national economy, work has started during the Eighth Plan in implementing four new economic cities as new development centres: King Abdullah Economic City in Rabigh, Prince Abdulaziz Bin Muesed Economic City in Hail Region, Economic Knowledge City in Medina, and Jazan Economic City in Jazan Region. Studies are also underway to set up two cities in Tabuk Region and in the Eastern Region.
- ***An Active, Entrepreneurial Private Sector:*** The private sector enjoys a high degree of dynamism, contributing some 57.3% of GDP in 2009, The sector's activities cover all available fields. The sector possesses adequate financial and management capabilities and is a major partner in the development process.
- ***A Conducive Institutional and Organizational Environment:*** Over the period covered by the Eighth Development Plan, efforts were focused on institutional and administrative reform. Several measures and decisions were taken to enhance performance efficiency of the public sector, and to promote a regulatory environment supportive of economic restructuring and of providing a business- and investment-friendly environment.
- ***Exceptional Geographical Characteristics:*** The Kingdom occupies a strategic geographic position, with its sea ports and airports linking the three continents of Asia, Africa and Europe. This unique geographical position provides the Kingdom with great potential in air, sea and land transit services and re-export of goods.

Figure (1): Development of GDP at Constant 1999 Prices

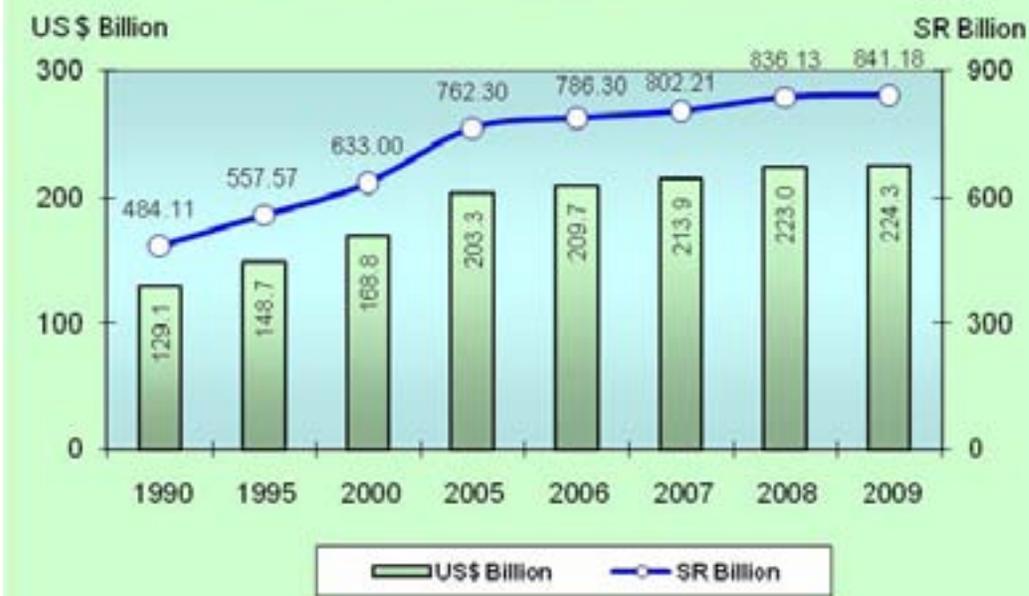
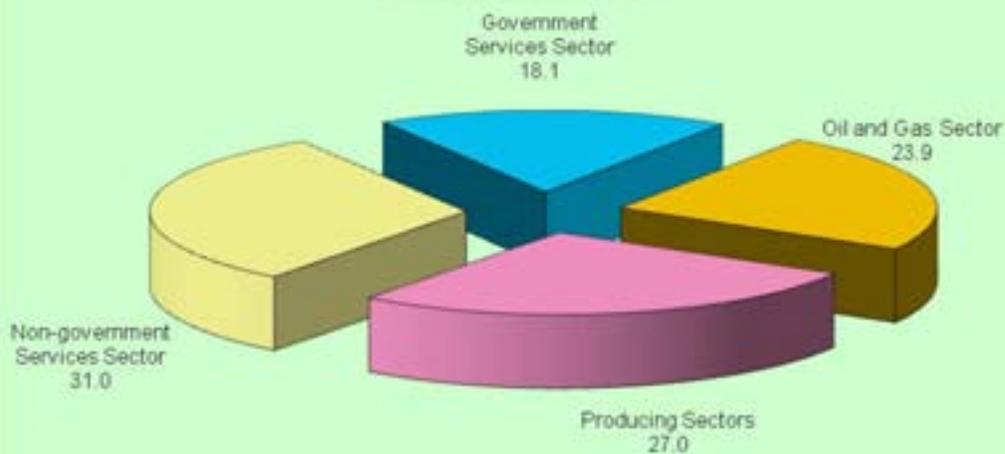


Figure (2): Sectoral Contribution to Real GDP, in 2009* at Constant 1999 Prices



(*) Excluding contribution of import duties which amounted to 1.2%
 (**) Includes agriculture, forestry, fishing, manufacturing, construction, electricity, gas, water and mining activities.

Box (1): Selected Ninth Development Plan Objectives (2010–2014)

- To safeguard Islamic teachings and values, enhance national unity and security, guarantee human rights, and consolidate the Arab and Islamic identity of the Kingdom.
- To enhance human development, expand the range of options open to individuals to enable them to acquire and deploy knowledge, skills and expertise, and provide appropriate healthcare services.
- To raise the standard of living and improve the quality of life for all citizens.
- To give special attention to the welfare of low income groups and address their problems, particularly the poor and needy families.
- To give priority to employment of Saudi manpower.
- To develop women's participation in economic activity and provide support services to enable their participation.
- To build a united Saudi family, where man and woman collaborate to raise their economic, social and cultural standing, develop knowledge and skills among family members, promote a sense of responsibility and initiative towards their community as well as integration in society within a framework of values that take inspiration from Arab and Islamic heritage.
- To achieve an educational system that lays a strong foundation for the general education base in the Kingdom, supported by well trained and highly qualified educational resources that are capable of developing and upgrading the capabilities of students as well as helping them acquire cognitive and innovative skills, with knowledge society requirements serving as the underlying principle.
- To achieve a balance between economic and natural resources and population growth rates, and attain optimum utilization of the current and future age structures of the population.
- To develop, conserve and rationalize consumption of natural resources, particularly water, and protect the environment and develop relevant regulations within the framework of sustainable development.

General Indicators (2009)

Indicator	Values
* Population (million)	25.37
* Population growth rate (%)	2.31*
* Real GDP (billion US dollars)	224.3
* Per capita GDP, at current prices (thousand US dollars/year)	14.81
* Life expectancy at birth (years)	73.4
* Literacy rate (% of 15-24 age group)	96.92
* Fertility rate (average births per woman)	3.1**
* Ratio of foreign debt to GDP (%)	0.0
* Ratio of investment*** to GDP, at constant 1999 prices (%)	34.9

*) *Saudis only.*

**) *2008 figure.*

***) *Gross capital formation ratio.*

GOAL 1: ERADICATE EXTREME POVERTY AND HUNGER

TARGET 1:

Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day.

Target Indicators	2004	2005	2006	2007	2008
• Proportion of families whose income is below two dollars a day per person (Purchasing Power Parity). (%) ^{*#}	1.63	–	–	–	0.8
• Extreme poverty gap (%)	–	–	–	–	–
• Share of the poorest quintile in national consumption (%)	–	–	–	–	–

*) *Extreme poverty line has been estimated at about \$2 a day per person.*

#) *On average, a Saudi family consists of 6 members.*

TARGET 2:

Achieve full and productive employment and decent work for all, including women and young people.

Target Indicators	1990	1995	2000	2005	2006	2007	2008	2009
• GDP growth rate per working individual	–	–	–	–	6.9	4.6*	19.3	–
• Employment to population ratio	–	–	–	–	31.9*	32.3*	32.4	32.1

*) *Revised data.*

TARGET 3:

Halve, between 1990 and 2015, the proportion of people who suffer from hunger.

Target Indicators	2006	2007	2008	2009
• Prevalence of underweight children under five years of age (%)	6.4**	5.6	5.25	5.29
• Proportion of population below minimum level of dietary energy consumption (%)	–	–	–	–

*) *Sample.*

***) *Revised data.*

CURRENT SITUATION

Poverty reduction is a central objective of economic and social development. However, poverty is not limited to material deprivation, but has many other dimensions such as hunger, lack of adequate shelter, inability to secure medical treatment, lack of access to or drop out of education and schooling, illiteracy, and unemployment. In a strict sense, however, poverty refers to a family's inability to satisfy basic living needs of its members for food, clothing, shelter and healthcare, due to the family's low income. Thus, combating poverty and its ramifications takes many forms that cut across sectors and approaches. Nevertheless, unemployment remains the major cause. Wide availability of educational, health, and social security services in all parts of the Kingdom to all targeted and needy groups has confined poverty to small pockets. However, citing the fact that poverty is limited is not meant to detract from the importance of combating it; but merely to put it in its right perspective in order to provide the necessary remedies for it.

As a result of the major steps and effective measures taken to accelerate all aspects of socio-economic development, the Kingdom has made considerable progress in its efforts to contain and to restrict poverty to limited pockets. Within the framework of eradicating poverty, Saudi Arabia prepared the National Social Development Strategy (Box 1.1). Led by the Ministry of Social affairs, the strategy adopts a comprehensive perspective with respect to the poverty problem and the mechanisms to be pursued in addressing the

problem. Under this strategy, poverty rates will be reduced through improvement of living conditions of the poor. Efforts in this regard will seek to increase income levels of the poor, provide them with basic services, upgrade their education and health levels, develop their capabilities and skills and, enable their effective participation in the development process. However, the focus of the strategy is not confined to addressing the poverty issue, as it also stresses maintaining the living standard of other citizens, particularly middle income groups, with efforts seeking to help them avoid falling into the poverty trap.

The Kingdom's efforts to contain poverty have borne fruit. Data available under the National Social Development Strategy indicate that the proportion of Saudi households living under the extreme poverty line (food poverty) stood at 1.63% in 2004, but declined to some 0.8% in 2008, amounting to a drop of 50%. Thus, The Kingdom has achieved the MDG goal of eradication of food poverty well ahead of the target year of 2015. Another positive aspect in this regard is that the Kingdom has set the extreme poverty level at near two US Dollars per person per day, which exceeds the MDG level of one US Dollar.

Box (1.1): Some Features of the National Social Development Strategy

A. Fundamentals of the Strategy:

- To provide the poor with opportunities to build and enhance their financial and human assets, by providing job opportunities, credit, education, training and health services and through improving market access to their products.
- To enhance the capability of the poor to participate effectively in economic activities.
- To improve living standards of the poor by enhancing their ability to face health, natural and economic risks, and providing them with assistance in case of disasters or emergencies.

B. Strategy Themes:

1. Balanced economic development
2. Employment and empowerment of the poor
3. Human resource development and social capital
4. Expansion of the social safety net
5. Improving institutional environment and administration

■ *Social Care Services:*

A wide range of social and economic support is being provided to the poor and needy, through programs run by the Ministry of Social Affairs and by community organizations. Following are the key steps taken by the government to achieve MDG goals 1, 2 and 3:

First: A program on "complementary support" has been introduced. The objective of the program is to close the gap between actual income (of households, individuals and extremely poor people) and the poverty line. The latter is based on studies of shifting poverty lines officially approved in the Kingdom. Total support given under the program amounts to SR264 million per year.

Second: A financial support of SR300 million per year is allocated to the Social Charity Fund, to help reduce poverty and support achievement of the following objectives:

- To offer interest-free loans to the needy people who are capable of work, to help them set up small-scale investment projects.
- To contribute to capacity development of unemployed needy persons through training and coaching.
- To contribute to locating job opportunities for needy persons who are partially or completely unemployed.
- To develop and support "producing families" programs that target needy segments of the population.
- To contribute to the creation of business incubators for small enterprises.
- To raise awareness of the needy people regarding available training and job opportunities that match their capabilities.
- To enhance social involvement in combating poverty
- To help relevant organizations identify the requirements of needy people for health, education, housing, social and other services.
- To strengthen the role of charities in helping needy people help themselves.
- To coordinate with relevant agencies to facilitate procedures related to processing of requests and applications of the needy.

Third: Increasing by SR82 million per year the funds assigned for orphans and special needs people, in order to cover subsidies to foster families, school benefits, end-of-foster-care benefits, marriage support, and allowances for residents of orphanages.

- Fourth:** Developing an "Emergency Assistance Program" for families under the absolute poverty line facing emergencies exacerbating their suffering, such as death, sickness or imprisonment of the family provider, sickness of children, fires or natural disasters. The maximum amount of such assistance depends on the nature of each case and the degree of suffering.
- Fifth:** Increasing the amount assigned for charitable societies from SR100 million to SR300 million.
- Sixth:** Allocating SR10 billion to the Social Housing Program in all regions of the Kingdom. The program targets poor people who do not have housing of their own.
- Seventh:** Increasing assistance to the disabled as well as patients suffering from renal failure, cancer, hemolysis, and other incapacitating diseases, from SR570 million to SR 2382 million in 2009.
- Eighth:** Raising the ceiling of social security benefits for each family from SR16,200 to SR34,200 per year. As a result, social security allocations increased to SR13 billion in 2009.
- Ninth:** Seeking to offset price increases and the rise in the cost of living, a number of decisions were taken in 2008, among them:
1. The government would incur for three years 50% of the fees for passports, traffic licenses, transfer of vehicle ownership and fees for renewal of residence permits of domestic labor.
 2. Addition of a cost of living allowance. This allowance would be added to salaries of government staff and retirees at the rate of 5% every year for a period of three years as of 2008.
 3. Continuing to subsidize basic goods so as to mitigate the effects of sharp price hikes. This would be reviewed three years after 2008.
 4. Banning all sorts of monopolistic practices and reconsidering the system of commercial agencies to prevent monopolies.
 5. Accelerating finalization of the supply policy draft law.
 6. Intensifying price monitoring efforts.

7. Continuing to review procedures related to medicines, pricing and registration, and speeding up finalization of the study on citizens' health insurance system.

Tenth: The government provides direct social care services to needy segments through a number of institutions of the Ministry of Social Affairs. These provide the following services:

- Services to disabled special needs persons, with a total of 205,445 beneficiaries. Physical, sensory, psychological, and complex disabilities are covered by these services. Budget allocations for these categories totalled SR2 billion in 2009.
- Juvenile care and observation services, with 15,893 beneficiaries in 2009.
- Services of residential nurseries, girls and boys social care homes, institutions for paralyzed children, and care homes for the elderly. Beneficiaries of these services totalled 2,056 persons in 2009.

Eleventh: The government provides several other social security services through a number of specialized institutions. In 2009, expenditure on social security assistance and support programs totalled some SR15 billion on the following services:

- Welfare salaries paid on a monthly basis to orphans, elderly people, disabled persons who cannot work, women and families without a provider, and children with no known parents. Beneficiaries of these services receive SR 10,340 per year per person, and the amount increases by SR3,410 for every additional person, with a maximum of SR34,210 for a family of eight.
- Welfare assistance program, which seeks to improve living conditions of low-income groups. A maximum of SR30,000 is paid per case, with strict criteria applied for payment.
- Productive projects' program. The objective of this program is to train social security beneficiaries through skill development or offering of work tools, in order to turn them into taxpayers rather than welfare recipients. A total of 815 individual projects and 6 group projects are expected to be offered to recipients in various regions of the Kingdom.

- School-bag-and-uniform program. This program is offered to beneficiaries' children less than 18 years old who continue their education, and is designed to provide recipients with school requirements.
- Partial payment of electricity bills: Under this program, Social Security pays part of the electricity bill, based on the number of family members covered by welfare. An amount of SR20-30 million is paid under this program.
- Furniture program, which seeks to create an adequate environment for a better life through improved housing conditions of beneficiaries. The program is conducted in cooperation with public and private stakeholders in the context of social partnership. A comprehensive program with a budget of SR100 million has been approved for the current year.
- Cash assistance program for food purposes, aimed at helping beneficiaries provide for their food needs. An amount of SR100 million is spent every month under this program.
- Complementary support program, which seeks to close the gap between actual income of extremely poor families and individuals and the poverty line. Up to 2009, some SR1,056 million have been spent under this program.

Twelfth: Through about 571 community private organisations, including 39 female societies, civil society institutions play a major role in providing care and social support to the poor and needy. Programs cover private maternal and children's care, care for the elderly and the disabled as well as care for orphans and special needs people, besides eradication of illiteracy, training of women in selected occupations and activities, and offering of health services. In areas not served by government social development centres, local committees are formed to achieve social objectives of the local community. A total of 357 local committees were in operation in 2009.

■ *Unemployment Challenges and Saudization Initiatives:*

The Kingdom's successive development plans have been keen to address the challenges associated with unemployment and the need to create more job opportunities to citizens. Over the past two decades, the concept of Saudization of jobs has emerged and has come to represent an unrelenting direction in the Saudi development endeavours. According to

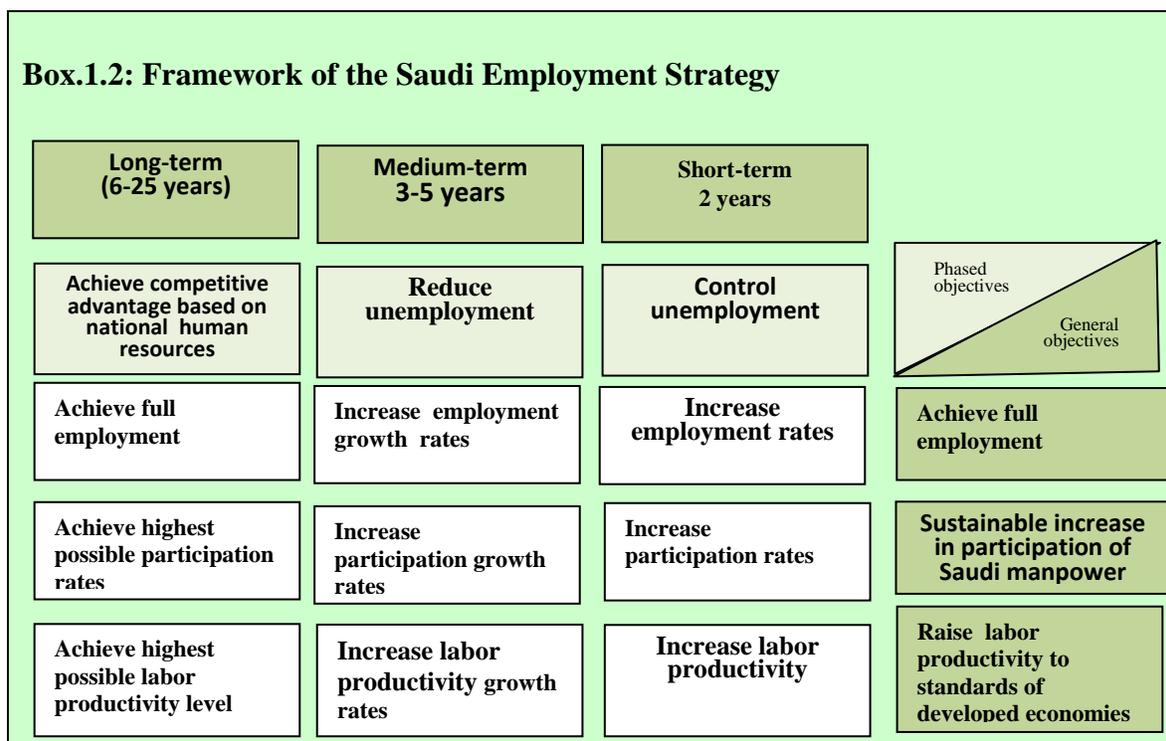
Ministry of Labour reports, Saudization of jobs means that work will be restricted to Saudi nationals, with gradual substitution of Saudi manpower under a set of variables, virtually leading to full Saudization and optimal utilization of national manpower⁴. A significant legislative step in this direction came with the Council of Ministers' Resolution No. 50 of 1995, which makes it mandatory for each establishment with a minimum workforce of twenty workers to employ Saudi nationals who should make up at least 5% of the establishment's total work force every year. Further government decisions were issued to regulate Saudization in various sectors and occupations. Three mechanisms are adopted in the process of implementation of the Saudization decisions, namely the quota system, rationalization of recruitment of expatriates through controls that are tied to labour market needs, and restricting work in certain occupations to Saudi nationals. The Ministry of Civil Service undertakes employment and enforcement of civil service laws and regulations in the public sector, while the Ministry of Labour assumes the same responsibility in the private sector, besides its mandate to make decisions with respect to recruitment of expatriates, issuance of work visas for government and private sectors, and general supervision of the labour market.

A significant development in the Saudization drive has been the finalization by the Ministry of Labour of the Saudi Employment Strategy (Box 1.2)⁵, approved by the Council of Ministers through its Resolution No. 260 of 2009. The strategy is designed to serve as reference for addressing manpower and employment issues in the Kingdom. It sets out a vision to "provide quantitatively sufficient and adequately paying job opportunities that lead to full employment of Saudi human resources, and which achieve a competitive advantage to the national economy". The strategy spans a horizon of 25 years with three overlapping phases, the first phase lasts for two years, the second phase spans three years, while the third phase spans 20 years with two equal periods of 10 years each. The strategy consists of general objectives for the entire strategy, with specific targets for individual phases, along with a set of policies and implementation mechanisms, including the goals of each policy and the agency(ies) assigned to undertake implementation, in addition to criteria for measuring performance in implementing policies. Furthermore, the strategy

⁴) Ministry of Labour: List of activities, occupations and jobs that are exclusively reserved to Saudi nationals, with gradual substitution of Saudi manpower. Kingdom of Saudi Arabia, 5th edition, December 2008. P. 14.

⁵) Ministry of Labour, "Saudi Employment Strategy", Kingdom of Saudi Arabia, 2009. pp. 24-25.

includes an integrated system of evaluation and follow-up designed to "monitor performance and policies of the employment strategy, evaluate performance so as to achieve objectives and goals, and to make interventions to revise policies where they prove ineffective or in the event that structural changes occur in the labour market or in human resources development or utilization systems".



FUTURE DIRECTIONS

The Kingdom of Saudi Arabia intends to achieve the first Millennium Development Goal ahead of 2015, the year set by the United Nations. It is planned to achieve all the targets related to the goal of eradication of extreme poverty and hunger during the Ninth Development Plan 2010-2014. As growth is a precondition for sustainable progress in achieving the first MDG goal along with related targets and indicators, it is planned to raise Saudi per capita income by an average annual rate of 2.9% during the Ninth Plan. In

order to ensure that growth benefits and fruits will be shared by the poor and economically and socially vulnerable groups, further and deeper utilization will be made of the following two channels:

- Social care services and social safety nets
- Rewarding job opportunities for all those who are capable of and willing to work .

Accordingly, social care services and social safety net systems will be applied intensively in order to reduce poverty pockets and to protect families that are vulnerable to economic and social disasters. This will include assistance in cash and in kind, subsidies for prices of basic foods and services including housing, social care homes, and enabling needy families to do rewarding work. Continued support will also be given to efforts that are aimed at development of capabilities of the national work force, providing sufficient and rewarding jobs, achieving a competitive level for national manpower leading up to full employment of the country's workforce, and expansion and upgrading of labour market services (Box 1.3).

CHALLENGES

The principal challenge to eradicating poverty stems from its multi-dimensionality, for it intersects with most aspects of economic and social development, with progress towards that goal requiring parallel progress towards other development goals at both the macroeconomic and the sectoral levels. Therefore, increasing income in general, and of low-income groups in particular; attaining balanced development; creating job opportunities for all Saudis, particularly women and young men, with the requisite education and training of manpower; eradication of illiteracy; and provision of health and social care and other public services; all constitute inputs for a lasting, radical resolution of the issue of poverty. The objectives, investments and programs of the Ninth Development Plan address these challenges in an attempt to achieve sustainable development, improve the quality of life of citizens, and expand the range of options available to them.

Box (1.3): Selected Targets from the Ninth Development Plan Relevant to MDG Goal 1

In the field of social care and social safety nets

- To continue to pay subsidies for needy cases, namely families of special needs members, paralyzed children, foster families, marriage of residents of social care homes, individual projects for handicapped persons as well as social security payments and assistance.
- To provide assistance to social welfare beneficiaries in the following areas: partial payment of medical treatment costs, subsidy to reduce cost of purchase of basic consumer needs, partial payment of electricity and water bills, renovation and furnishing of houses, provision of school bags and uniforms for school children of social security recipients.
- To provide personal care to residents of institutional care homes who are incapable of serving themselves, as well as to paralyzed children, elderly people, and children in social care homes.
- To expand services of social care institutions in the regions where these services are needed: create 14 social guidance homes, 12 social care homes for girls, 6 social observation homes, 8 orphan children's villages, 4 social care homes for boys, 7 hotels for girls, 5 elderly care nurseries, 21 social protection centres (for victims of domestic violence) 10 rehabilitation centres, 15 social security offices, and 6 development centres.
- To continue to pay local development subsidy and provide support to allow continued offering of local development activities and programs.
- To encourage creation of and provide support to new cooperative societies.
- To encourage creation of and provide support to new private charitable societies.
- To support studies and research in social development and social care.
- To enable needy families to undertake rewarding work, through:
 - Providing rewarding job opportunities to individual members of needy families
 - Turning an increasing share of needy families into productive families.
 - Enabling as many needy families as possible to have micro projects of their own.

In the field of employment of national manpower:

- To raise educational and practical qualification level of the Saudi workforce in order to meet the requirements of moving into the knowledge society.
- To improve productivity of the Saudi workforce to boost their competitiveness in the labour market.
- To achieve relative balance in the wage structure and employment in the labour market.
- To increase labour market participation rates and support economic empowerment opportunities for Saudi women.
- To control and rationalize expatriate recruitment in a way that will reduce unemployment.
- To improve and expand labour market services in order to meet the requirements of globalization and to enhance GCC integration prospects.

On the other hand, international experience demonstrates that poverty remains a serious threat to vulnerable groups no matter how advanced a society may be. It is thus imperative to create an effective social protection network, capable of not only curbing and combating poverty, but also of preventing it from happening. The creation of such a network is a continuing challenge.

It is worth noting in this context that availability of financial resources enables the Kingdom to act quickly and decisively to alleviate poverty through social security measures while awaiting the more radical and lasting solutions which need a long time to come to fruition.

Lastly, the Kingdom enjoys advanced institutional and organizational capabilities. Noteworthy in particular are community organisations that provide support and care to the needy throughout the country, playing an essential role, complementary to that of relevant state institutions.

SUPPORTIVE ENVIRONMENT

The development planning process adopted by the Kingdom provides a framework for studying, analysing and evaluating all factors affecting the living conditions of the population. Furthermore, the Ninth Development Plan serves as a comprehensive program for economic and social development, giving high priority to issues relevant to poverty reduction, such as improving living standards and quality of life, balanced regional development, human resources development, diversification of the economic base etc. The plan would, therefore, enhance effectiveness of policies and improve the chances of attaining the stated objectives related to improvement of the standard of living in general and poverty alleviation in particular.

Box (1.4): Overview of Current Situation

Will the goal have been achieved by 2015?

✓Expected Probable Not possible Insufficient Data

Supportive environment

✓Good Moderate Poor but
Improving Poor

Box (1.5): Monitoring and Evaluation Environment

Factor	Evaluation		
Data collection capabilities	<u>✓Good</u>	Medium	Poor
Quality of survey data	<u>✓Good</u>	Medium	Poor
Statistical follow-up capabilities	<u>✓Good</u>	Medium	Poor
Statistical analysis capabilities	<u>✓Good</u>	Medium	Poor
Ability to incorporate results of analysis into policies and resource planning	<u>✓Good</u>	Medium	Poor
Monitoring and evaluation mechanisms	<u>✓Good</u>	Medium	Poor

GOAL 2: ACHIEVE UNIVERSAL PRIMARY EDUCATION

TARGET 4:

Ensure that, by 2015, all children, boys and girls alike, will be able to complete a full course of primary schooling.

Target Indicators	1990	2005	2006	2007	2008	2009
• Gross enrolment ratio in primary education (%)	82.0	96.5	97.3	98.3	98.8	99.0
• Net enrolment ratio in primary education (%)	76.8	93.9*	94.0*	94.2*	94.4*	95.3*
• Proportion of pupils starting grade 1 who reach grade 5 (%)	74.5	88.6	91.0	93.4	95.9	97.2
• Literacy rate of 15–24 year olds (%)	85.9	96.3	96.5	96.7	96.8	96.9

*) *Revised data (CDSI).*

CURRENT SITUATION

Education is a main pillar of economic and social development and the most important factor for its sustainability. If the ultimate goal of development in a developed society is to improve human welfare, then this goal cannot be attained without educated, productive citizens and individual commitment to human values and ideals. Providing access to educational services and enabling citizens to derive full benefits from them is, therefore, one of the landmarks on the road to human development, as well as a central element in eradicating poverty, since education expands the scope of options and skills necessary for creating a productive citizen.

The Kingdom paid special attention to the education sector and endeavoured to provide education to all citizens, with the share of the expenditure on education amounting to 8.65% of the GDP in 2009. As a result, adult (15 years old and above) literacy reached 87.6% and youth (15-24 years old) literacy reached 96.9% in 2009 (Figure 2.1); a development that benefited both sexes, with the ratio of literate females to literate males among the youth reaching 100:98.

Primary schooling is crucial, since it determines, to a great extent, the future educational course of pupils. Total primary school enrollment in 2009 amounted to about 3.26 million pupils in 13,626 schools all over the Kingdom. In the same year, the number of new enrollees in primary education amounted to about 567.5 thousand pupils. The average annual growth rate of enrolment over the period 1984-2009 amounted to 3.62%. It is worth noting that the public sector remains the main provider of educational services, with a share in 2009 of 92% in total enrolment in primary schooling and 90% of total enrolment in all stages of public education.

The proportion of first graders who reach grade 5 was 97.2% in 2009 (Figure 2.2), which indicates the marked progress made over the preceding decade. Primary education gross enrolment rate rose from 82% in 1990 to 99% in 2009 (Figure 2.3), while net enrolment rate in primary education stood at 95.3% in 2009 (Figure 2.4). This testifies to the considerable achievement made and points to the fact that the Kingdom will be able to ensure that all children, boys and girls alike, will be able to complete a full course of primary schooling ahead of the target year of 2015.

In order to attain universal primary education and increase enrolment rates in all other levels of education, a number of measures have been taken and policies adopted, not only to guarantee education for all (high enrolment rates), but also to improve and maintain the quality of education. Among such measures and policies are the following:

- Enforcing mandatory primary education, as per the decision taken in 2004.
- Establishing more kindergartens throughout the country and intensifying family awareness and guidance programs aimed at impressing upon the population the importance of pre-school education, as per Royal Decree No. 7/B/5388 of 2002.

- Jumpstarting the mechanisms for involvement of parents in monitoring children’s activities, as well as school management and teaching staff performance.
- Early identification of children with special needs and provision of appropriate teaching and rehabilitation.
- Addressing the economic and social constraints that impede enrolment of children from low-income groups. It is worth noting, however, that all education is provided free of charge.
- Intensifying programs, in both educational curricula and society at large, aimed at raising awareness of the importance of educational attainment.

Through these and other measures, the Kingdom aims at increasing the rate of enrolment in primary schooling, for both boys and girls, to almost 100% over the period covered by the Ninth Development Plan (2010–2014).

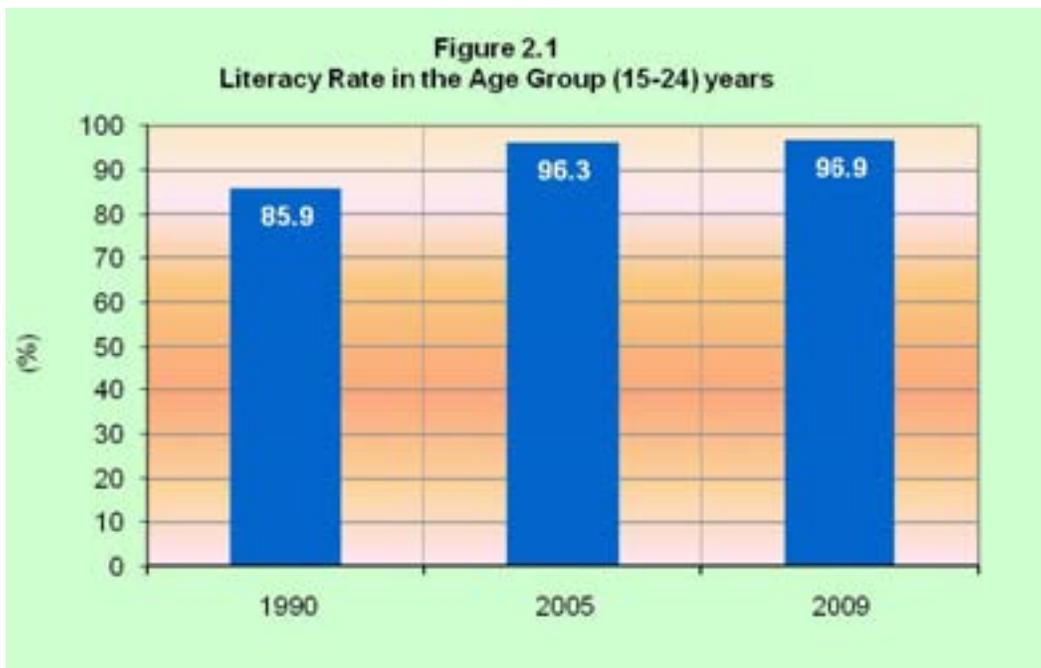


Figure 2.2
Proportion of First Graders Who Reach Fifth Grade

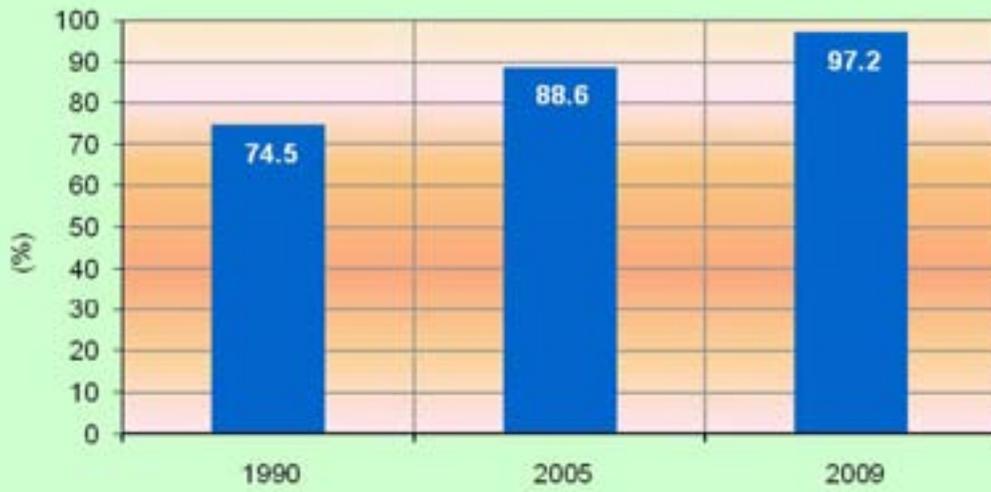
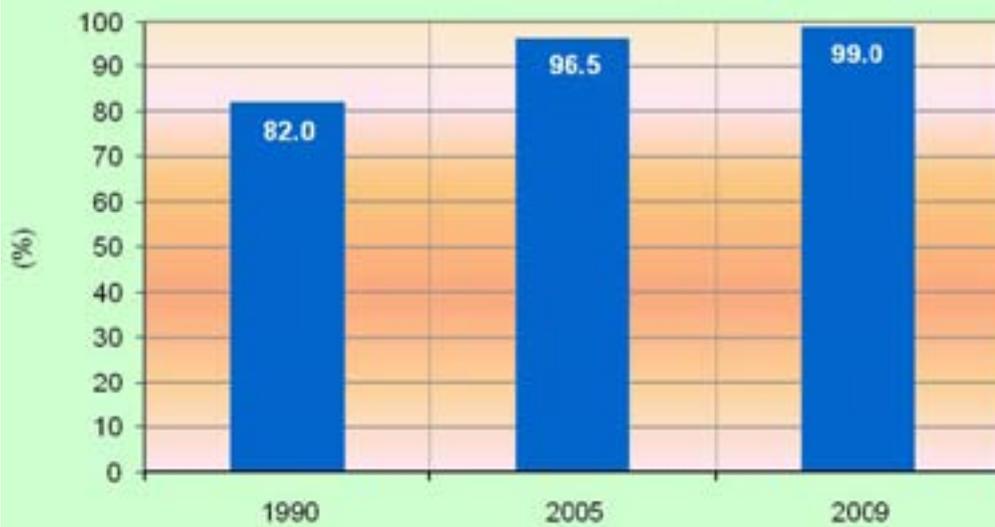
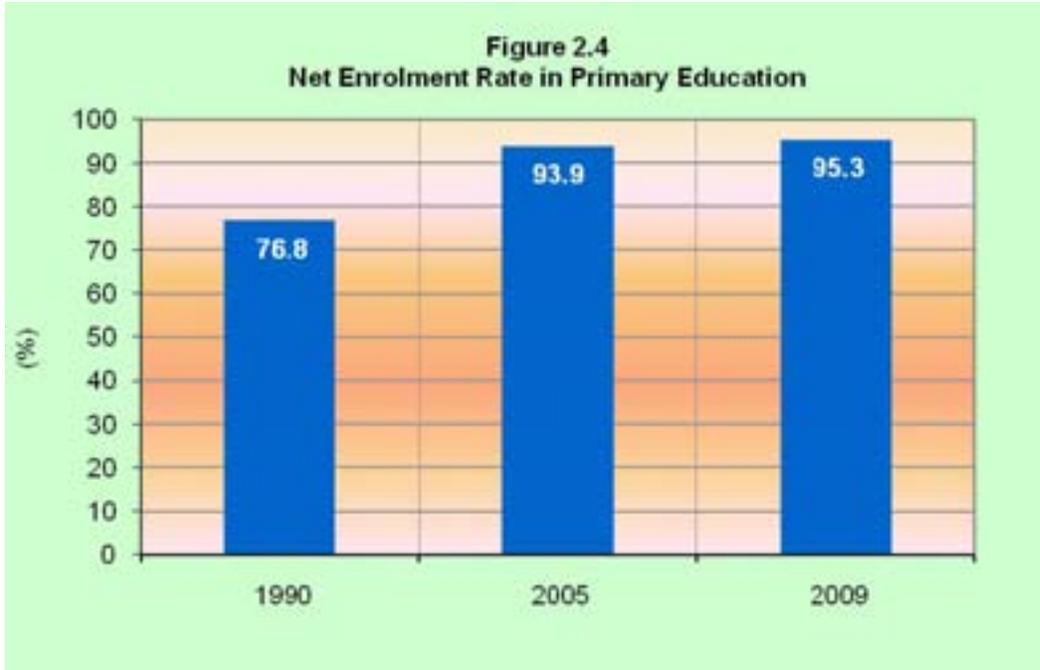


Figure 2.3
Gross Enrolment Rate in Primary Education





FUTURE DIRECTIONS

The Ninth Development Plan underscores the central role of education in achieving and strengthening human resources development, since education expands the scope of options available to citizens to gain knowledge and acquire skills, thus enabling citizens to benefit from the capabilities thus acquired. The Plan envisages the creation of an integrated and comprehensive educational system that will strive to lay out solid pillars for the public, with the help of well trained and highly qualified education professionals who can develop students' capabilities and help them acquire cognitive and innovative skills, guided by the knowledge society requirements. Universal primary schooling is a key step in this process, since it is the main foundation for the whole system. The Plan adopts a number of targets to achieve this goal (Box 2.1).

Box (2.1): Selected Targets from the Ninth Development Plan (2010-2014) Relevant to MDG Goal 2

- To reduce dropout rates to 1% for all stages
- To strengthen national examinations designed to measure educational attainment level and conduct diagnostic tests to monitor difficulties faced by students in study subjects.
- To create a research unit for gifted students and increase training at gifted students centres so that programs focusing on gifted students can be designed, developed and implemented.
- To continue to support the project on development of teaching strategies, as well as the comprehensive project for curriculum development.
- To achieve 100% enrolment rate in primary education (mandatory education).
- To achieve an enrolment rate of 98% in intermediate education for primary education graduates, and an enrolment rate of 95% in secondary education for intermediate education graduates.
- To apply the overall school evaluation system to 20% of schools every year.
- To apply educational certification to all private schools.
- To encourage the private sector to open more schools to accommodate general education students, bringing the sector's share to 15% by the end of the Ninth Plan period.
- To develop and initiate implementation of a plan for eradication of illiteracy, with the involvement of all stakeholders. The plan will be target oriented with a specific time schedule.
- To increase the share of teachers who hold higher teaching qualifications
- To increase support to educational research to serve objectives of quality improvement, and conduct more studies on examination results and on repetition and dropout issues in various stages.
- To continue to implement a comprehensive healthcare program in coordination with the Ministry of Health (medical examination, vaccination campaigns, and medical treatment of sick students).
- To strengthen cooperative school transport, and expand school girls' transport services outsourced to the private sector.

CHALLENGES

Full enforcement of mandatory primary education requires substantial enhancements of resources and capacities such as schools, classrooms, qualified teachers, and other inputs of the educational process. This, in turn, calls for broader participation of the private sector in the provision of educational services at all stages, with government agencies and community organizations joining forces within an effective, integrated framework.

Pre-school education plays a vital role in enhancing primary-school enrolment and lowering repetition and dropout rates. Provision of kindergartens with independent facilities throughout the Kingdom constitutes a significant challenge, since the number of enrollees is expected to double over the period of the Ninth Development Plan.

In this respect, the Ninth Development Plan underscores the fact that development of the education system is a key element in the educational process. Current repetition and dropout rates imply that further endeavors should be made to improve efficiency of the education system in all stages, especially primary schooling.

SUPPORTIVE ENVIRONMENT

In recent years, several measures have been taken by the Kingdom to promote public education and increase its efficiency, which, in turn, enhance chances of increasing enrolment rates at all levels, particularly in primary schooling (Figure 2.3 and Figure 2.4). Foremost among these measures are: the decision to enforce compulsory primary education, taken in 2004; the decision to establish kindergartens as a separate level, taken in 2002; and entrusting all supervision of education to the Ministry of Education since 2003.

Furthermore, the steady support provided by the government to the private sector, to enhance its role in the provision of education services at all levels, will contribute to achieving a qualitative shift in providing educational services; making the private sector more responsive to the needs of society, through participation in the development and implementation of educational programs and policies.

Box (2.2): Overview of Current Situation

Will the goal have been achieved by 2015?

✓Expected Probable Not possible No Answer due to
Insufficient Data

Supportive environment

✓Good Moderate Poor but
Improving Poor

Box (2.3): Monitoring and Evaluation Environment

Factor of M & E Environment	Evaluation		
Data collection capabilities	<u>✓Good</u>	Medium	Poor
Quality of survey data	<u>✓Good</u>	Medium	Poor
Statistical follow-up capabilities	<u>✓Good</u>	Medium	Poor
Statistical analysis capabilities	<u>✓Good</u>	Medium	Poor
Ability to incorporate results of analysis into policies and resource planning	<u>✓Good</u>	Medium	Poor
Monitoring and evaluation mechanisms	<u>✓Good</u>	Medium	Poor

GOAL 3: PROMOTE GENDER EQUALITY AND EMPOWER WOMEN

TARGET 5:

Eliminate gender disparity in primary and secondary education, preferably by 2005, and in all levels of education by 2015.

Target Indicators	1990	1995	2001	2002	2003	2004	2005	2006	2007	2008	2009
● Ratio of girls to boys in primary, secondary and higher education	85.1	89.4	94.6	95.4	96.3	97.2*	97.7*	98.1*	98.6*	98.8*	99.0**
● Ratio of literate women to men, 15-24 year olds	73.7	83.8	85.2*	88.1*	90.3*	91.8	94.8	96.3	97.3	97.9	98.1
● Share of women in wage employment in the non-agricultural sector	17.9	16.1	14.2	16.5	16.5	15.0	14.5	15.2*	14.5*	15.2*	14.2

*) *Revised data.*

**) *Estimates.*

CURRENT SITUATION

Remarkable progress has been achieved in the Kingdom in the status of women in education, employment, and health.⁽⁶⁾ Despite the relatively late start in education of girls, rates of enrolment of girls at all educational levels have increased sharply. The average annual rate of increase in total female enrolment in all educational stages was 6.17% over the period 1975-2009, compared to about 4.14% for boys. Thus, in 2009 the gap in gender enrolment was closed at the primary, secondary and university levels (Figure 3.1).

However, a more appropriate measure is the net enrolment rate, which is the ratio of those enrolled at a particular level to the total number of individuals in the corresponding age group. Between 2001 and 2009, the net enrolment rate of boys at the primary education level increased from 84% to 96.33%, compared to an increase from 82% to 94.31% for girls. These rates demonstrate success of the Kingdom's policy to promote gender equality in education, and in covering the appropriate age groups by educational institutions. Bridging the gap between boys and girls in enrolment at all educational levels has provided women with the education and skills needed in a modern society and has prepared them to participate in the labour market on a fair and equitable basis. (Figure 3.2 and Figure 3.3).

Moreover, empowering women educationally has been accompanied by progress in enabling them to benefit from available health services, leading to tangible improvement in general health, with a declining incidence of certain diseases and total eradication of others. As a result, life expectancy in 2009 increased to 74.7 years for females and 72.5 years for males.

6) *For details, see: the Eighth Development Plan (2005-2009), Chapter 17, and the Ninth Development Plan (2010-2014), Chapter 19.*

Figure 3.1
Ratio of girls to 100 Boys in All Education Stages

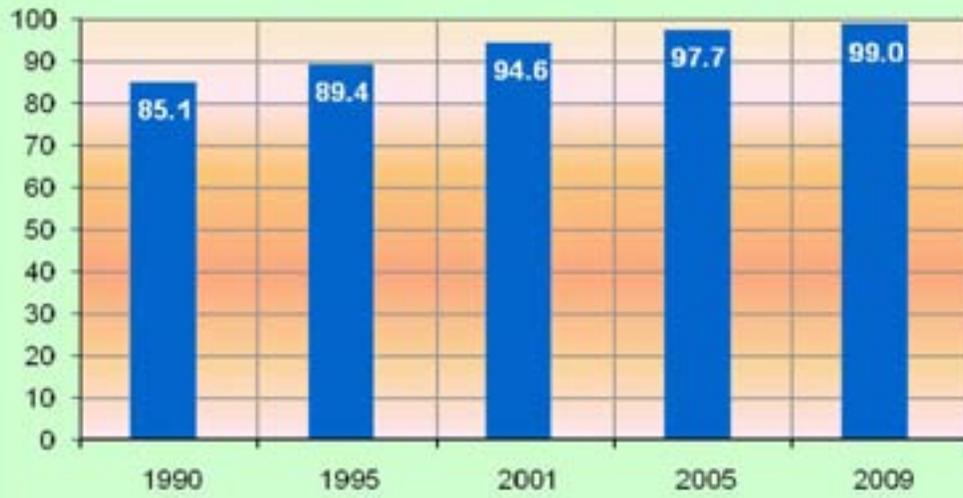
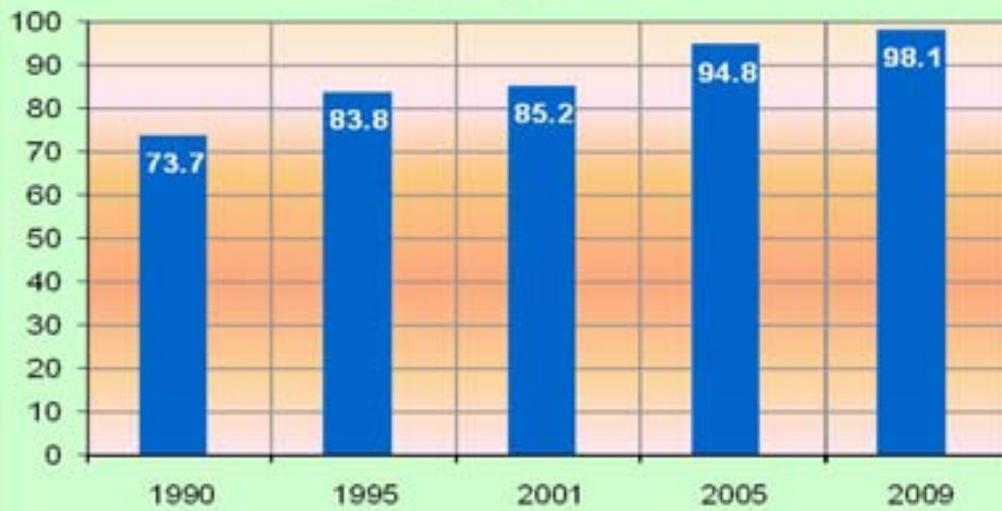


Figure 3.2
Ratio of girls to 100 Literate Boys in the Age Group (15-24)



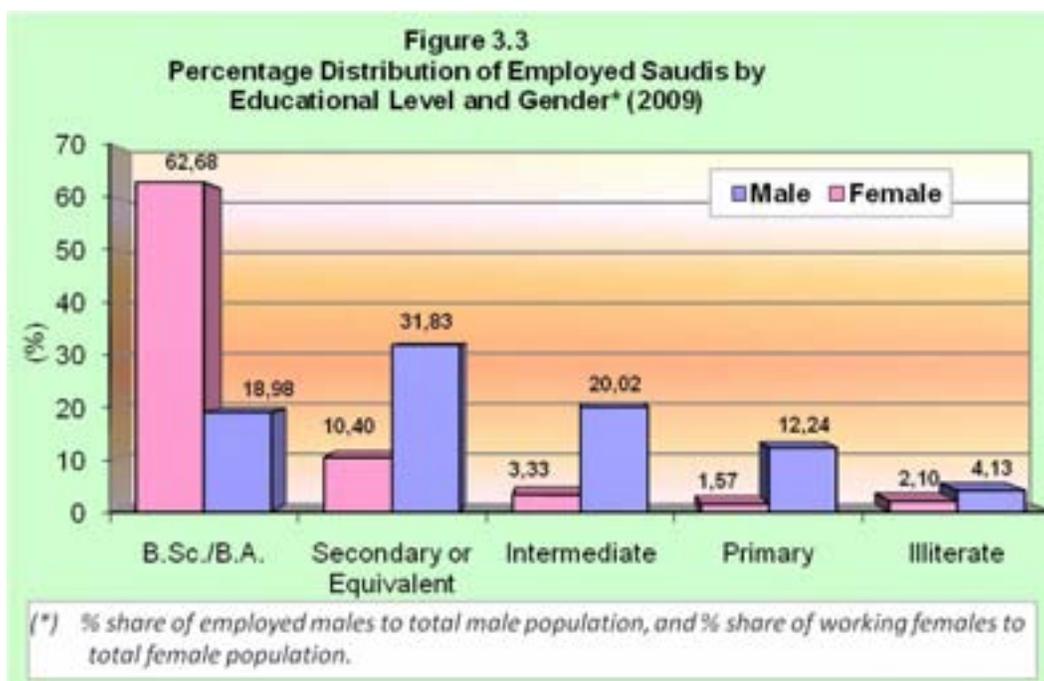


Table 3.1
Percentage Distribution of Employed Saudis by Educational Level and Gender (2009)

Educational Level	Male		Female		Total	
	Number	%	Number	%	Number	%
Illiterate	137675	4,13	10609	2,10	148284	3,86
Literate	107377	3,22	3728	0,74	111105	2,89
Primary	407884	12,24	7945	1,57	415829	10,83
Intermediate	667227	20,02	16846	3,33	684073	17,82
Secondary or Equivalent	1060649	31,83	52573	10,40	1113222	29,01
Diploma (Post-Secondary)	263143	7,90	87128	17,24	350271	9,13
University	632556	18,98	316735	62,68	949291	24,73
Postgraduate (Diploma)	39499	1,19	7027	1,39	46526	1,21
PhD	16618	0,50	2749	0,54	19367	0,50
TOTAL	3332628	100,00	505340	100,00	3837968	100,00

*) % share of employed males to total male population, and % share of working females to total female population.

Source: CDSI.

Entry of women into the labour market was slow in the early stages of development. The rate of their participation in the labour force was as low as 5.4% until the end of 1992. However, continued development, particularly in education, had a positive impact. As a consequence, the women's labour force participation rate increased to 11.8% in 2009. These still low rates are typical of Arab societies, where participation of women is low compared to other parts of the world. Therefore, intensive efforts are required to create diversified job opportunities for women in the Arab Region. It is worth noting in this regard that job opportunities for women are concentrated mainly in the education sector.

Women's participation in the labour force is influenced by the level of educational attainment. In 2009, most working women (92.3%) held secondary school certificates or higher (Figure 3.3 and Table 3.1). About 49.2% of working women belong to a young age group (25-34 years) due to the recency of the entry of women into the labour market (Figure 3.4 and Table 3.2).

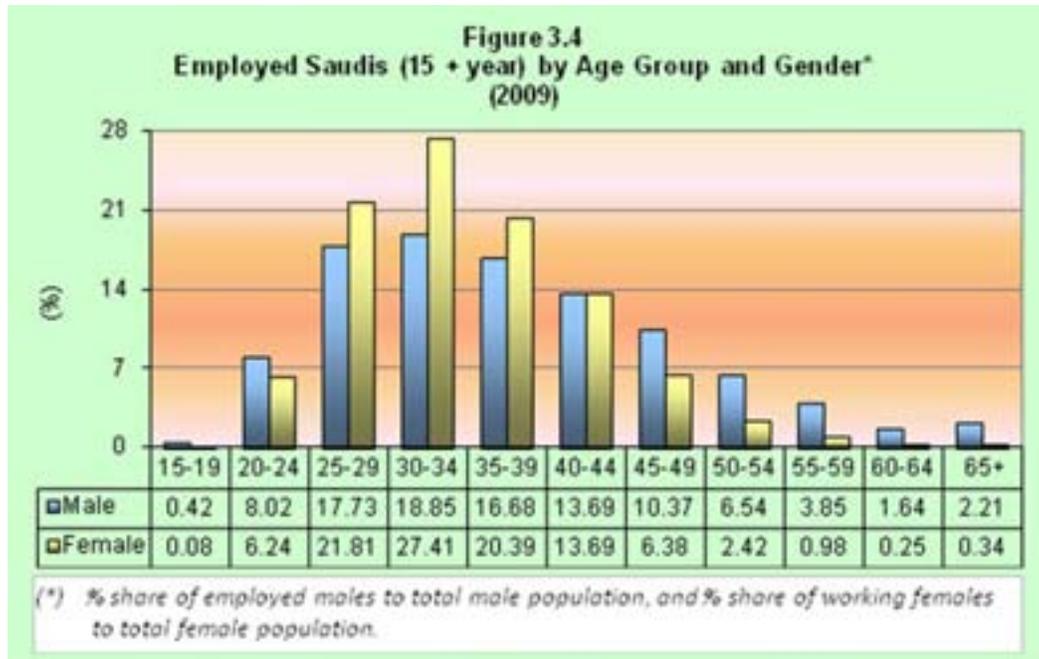


Table 3.2
Employed Saudis (15 + year) by Age Group and Gender*
(2009)

Age Group	Male		Female	
	Number	%	Number	%
19-15	14,137	0,42	425	0,08
24-20	267,154	8,02	31,558	6,24
29-25	590,891	17,73	110,214	21,81
34-30	628,227	18,85	138,525	27,41
39-35	555,819	16,68	103,047	20,39
44-40	456,259	13,69	69,194	13,69
49-45	345,595	10,37	32,226	6,38
54-50	217,941	6,54	12,211	2,42
59-55	128,366	3,85	4,948	0,98
64-60	54,665	1,64	1,253	0,25
65+	73,574	2,21	1,739	0,34
Total	3,332,628	100	505,340	100

*) % share of working males to total male population, and % share of working females to total female population.

Source: CDSI.

Marriage does not appear to be a major obstacle to women's participation in the labour force. Data for 2009 show that 67.3% of working Saudi women aged 15 years and above are married, compared to about 73.9% for males.

Saudi women play an important role in investment and business administration in various economic activities. The number of women-owned registered commercial enterprises in 2009 was over 40.9 thousand, most of them small and medium-size enterprises, with around 68.5% engaged in wholesale and retail trade and construction, and the rest in industry, mining, petroleum, power generation, water extraction, agriculture, finance and business services, and miscellaneous services (Table 3.3).

Table (3.3)
Women-owned Commercially Registered Enterprises
by Type of Activity
(2009)

Activity	Number	%
Agriculture, Fishery, and Forestry	443	1,08
Mining, and Petroleum	97	0,24
Industry	958	2,34
Power Generation and Water Extraction	697	1,70
Construction and Building, Contracting	7128	17,41
Wholesale and Retail Trade and Commercial Services	20891	51,05
Business Services	24	0,06
Transport, refrigeration and storage	417	1,02
Community and personal services	2119	5,18
Other activities	8158	19,93
Total	40932	100

Source: MOCI.

FUTURE DIRECTIONS

Clearly, the Ninth Development Plan represents a landmark in the efforts to promote improvements in the status of women and in enabling them to participate in economic and social development. The Plan includes various chapters that address issues relevant to development of women's status in various areas, such as education, health, social care and manpower. In addition, the Plan included an entire chapter on women and the family, which sets specific targets to build on the progress made with respect to empowerment of women, leading to further strengthening of women's role in family and society, as well as their contribution to economic activities. Furthermore, special attention will be given to the services and activities that support and further enhance the process of women's empowerment (Box 3.1).

Box 3-1: Selected Policies and Targets from the Ninth Development Plan Relevant to MDG Goal 3

- To achieve 100% enrolment rate in primary education
- To increase Saudi women's participation rate in the labour force to 13.9% by the end of the plan period.
- To continue to vigorously enforce the Council of Ministers' Resolution No.120 of 2004 on employment of women
- To eradicate women's illiteracy
- To strengthen quantitative and qualitative progress in education of Saudi girls in all educational stages.
- To upgrade women's contribution in economic activities and ensure that support services are provided to enable their participation
- To encourage girls in higher education to study specializations that match labour market needs
- To adopt specific measures to address unemployment of women, particularly educated females.

Actions by the State have not been limited to strategic objectives and policies envisaged by successive development plans, but have also directly addressed developing implementation mechanisms for expanding and deepening participation of women in economic activity. In an effort to increase and diversify work opportunities for women, in 2004 the Council of Ministers endorsed a package of measures designed to effect a qualitative change in the patterns and scope of women's participation in economic activity. Box 3.2 summarizes these measures.

Box (3.2): Summary of Measures Adopted by the Council of Ministers in 2004 to Enhance the Economic Activity of Women

a) Development of Plans and Mechanisms:

- The Ministry of Labour, in collaboration with the Ministry of Economy and Planning and the Ministry of Civil Service, shall set up an integrated national plan for the Saudi female workforce. The plan shall, within one year from the date of issuance of the resolution, determine the actual demand for female labour in various fields.
- The Human Resource Development Fund shall pay particular attention to training and employment of Saudi women. This task shall be included in the plans and programs of the Fund.
- The Ministry of Labour and the Ministry of Commerce and Industry, together with the Council of Saudi Chambers of Commerce and Industry, shall conduct a study of the possibility of prolonging maternity leave, as an incentive and an additional privilege, without negatively impacting the desirability of hiring women.

b) Development of Coordination Mechanisms:

- The Council of Saudi Chambers of Commerce and Industry shall form a committee of experienced, qualified women to coordinate with relevant agencies' efforts to encourage the private sector to provide work opportunities for Saudi women, without creating a loophole through which employment of foreign women is promoted. Instead, the initiative should provide training to qualify Saudi women for the required jobs. Material and moral support shall be extended to help establish the committee and all government agencies shall contribute to the effort.

c) Promotion of Women's Participation in the Private Sector:

- Government agencies responsible for issuing licences for engaging in economic activities shall facilitate granting such licences to women, in accordance with regulations and legal controls.
- The relevant agencies shall allot and fit land within city boundaries for establishing industrial zones for women.
- The Ministry of Labour shall coordinate with the Ministry of Civil Service and the Ministry of Social Affairs to take the necessary measures for providing women with tele-work opportunities.

d) Promotion of Women's Participation in Government:

- All government agencies that provide services related to women and shall establish within one year women-only work units and sections.

CHALLENGES

■ ***Female Illiteracy:*** In 2009, the Saudi female illiteracy rate (15 year-olds and above) was 18.87%, compared to 5.96% for males. As indicated earlier, literacy and education are crucial to increase women's participation in society and improve their life quality.

Along with various state and private-sector-run adult literacy programs, enforcement of mandatory primary schooling is expected to contribute radically to solving this problem.

■ ***Female Educational Specialisation:*** Specialisation starts at the secondary school level, with choice then often determining future direction in higher education. In 2009, 52.5% of all female secondary-school graduates had specialised in arts and humanities, which precludes their enrolment in scientific and applied disciplines at university and college, while the labour market demand for arts and humanities graduates has already become saturated.

In 2009, 93% of all female university graduates specialised in education and humanities, which indicates the mismatch between the labour market needs in a modern economy and the specialization preferences of higher-education female students.

SUPPORTIVE ENVIRONMENT

Socioeconomic development programs reflect the full support of the political leadership of the country for the promotion and empowerment of women. Moreover, the adopted comprehensive approach covering education, health, employment and family issues enhances the chances of success of the relevant policies and mechanisms. The measures taken by the Council of Ministers in 2004 to enhance women's economic activity (see Box 3.2) should play a crucial part in this regard.

Box (3.3): An Overview of the Current Situation

Will the goal be achieved by 2015?

✓Expected Probable Not possible Insufficient Data

Supportive environment

✓Good Moderate Poor but
Improving Poor

Box (3.4): Monitoring and Evaluation Environment

Factor	Evaluation		
	<u>✓Good</u>	Medium	Poor
Data collection capabilities	<u>✓Good</u>	Medium	Poor
Quality of survey data	<u>✓Good</u>	Medium	Poor
Statistical follow-up capabilities	<u>✓Good</u>	Medium	Poor
Statistical analysis capabilities	<u>✓Good</u>	Medium	Poor
Ability to incorporate results of analysis into policies and resource planning	<u>✓Good</u>	Medium	Poor
Monitoring and evaluation mechanisms	<u>✓Good</u>	Medium	Poor

GOAL 4: REDUCE CHILD MORTALITY

TARGET 6:

Reduce by two thirds, between 1990 and 2015, the under-five mortality rate.

Target Indicators	1990	1995	2000	2004	2005	2006	2007	2008	2009
1. Under-five mortality rate (per thousand)	44,0	34,0	22,6	22,8	20,3	21,7	21,1	20,6	20,0
2. Infant mortality rate (per thousand live births)	34,0	27,0	20,2	19,4	18,5	18,6	17,4	17	17,3
3. Proportion of 1 year-old children immunized against measles (%)	88,2	94,4	92,1	96,7	96,5	95,2	95,7	97,0	97,9

CURRENT SITUATION

Over the past two decades, health services in the Kingdom made remarkable progress. In particular, primary healthcare, which constitutes the basis for a strategy aimed at providing integrated, highly effective basic health services to all population groups, cover several programs including: family-health registers, maternal care, comprehensive child healthcare, control of communicable diseases, basic environmental health, in addition to healthcare programs for those afflicted with non-communicable diseases; all conforming to high quality standards. The integrated child healthcare program provides continuous follow-up of the growth of children until the age of 5, and involves activities that include control of diarrhoea and malnutrition, and a comprehensive program of vaccination against communicable diseases. The latter program has achieved remarkable success, with the proportion of babies vaccinated against measles, rubella and mumps during their first year of life increasing to 97.9% in 2009 (Figure 4.1). Likewise, the proportion of children vaccinated against diphtheria, whooping cough and tetanus reached 98.9% in 2009, and the proportion of children vaccinated against polio, tuberculosis and hepatitis B amounted to 98.9%, 97.5% and 98.9% respectively (Table 4.1).

Table 4.1
Vaccination coverage of Infants During the First Year of Life
Against Targeted Communicable Diseases

Disease	1990	2004	2008	2009
Diphtheria	93,5	96,3	97,6	98,9
Whooping cough	93,5	96,3	97,6	98,9
Tetanus	93,5	96,3	97,6	98,9
Polio	93,5	96,3	97,6	98,9
Mumps	–	96,7	97	97,9
Measles	88,2	96,7	97	97,9
Rubella - German measles	–	96,7	97	97,9
Tuberculosis	99,4	94,7	97,8	97,5
Hepatitis B	–	96,1	97,8	98,9

Source: Ministry of Health.

As a result of child healthcare activities during the same period, the prevalence rate per 100,000 population declined from 0.04 in 1990 to zero in 2009 for polio, from 0.86 to zero for whooping cough, from 41.8 to 0.32 for measles, from 60.3 to 19.78 for hepatitis B, and from 0.25 to 0.01 for tetanus (Table 4.2 and Figure 4.2).

Table 4.2
Incidence of Vaccination – targeted Diseases per 100,000 Population

Disease	1990	2004	2008	2009
Diphtheria	0,01	0	5	0
Whooping cough	0,86	0,28	0,12	0
Tetanus	0,25	0,04	0,01	0,01
Polio	0,04	0,01	0	0
Mumps	76	1,55	0,13	0,54
Measles	41,8	7,86	0,64	0,32
Rubella - German measles	17	0,08	0,06	0,06
Tuberculosis	18,6	10,10	10,69	11,00
Hepatitis B	60,3	20,43	20,43	19,78

Source: Ministry of Health.

This, in turn, has led to the decline of the under-five mortality rate to 20 deaths per thousand live births in 2009, which amounts to an improvement of 54.5% over its 1990 level (Figure 4.3). Similarly, infant mortality rate declined to 17.3 deaths per thousand live births in 2009; an improvement of 49% over the 1990 level (Figure 4.4). These rates indicate that the Kingdom is proceeding confidently towards achieving the above target by 2015.

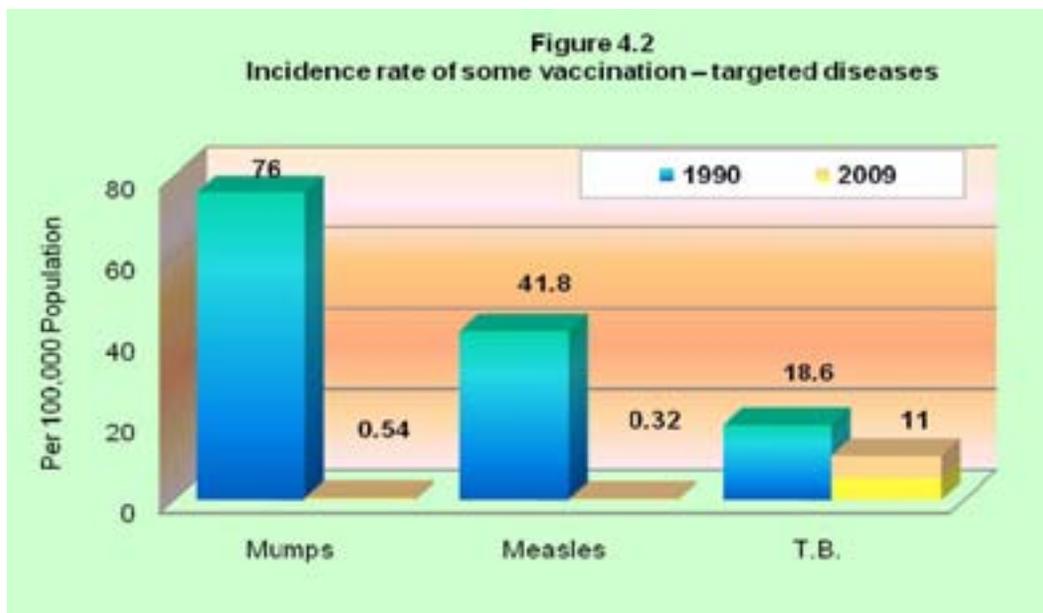
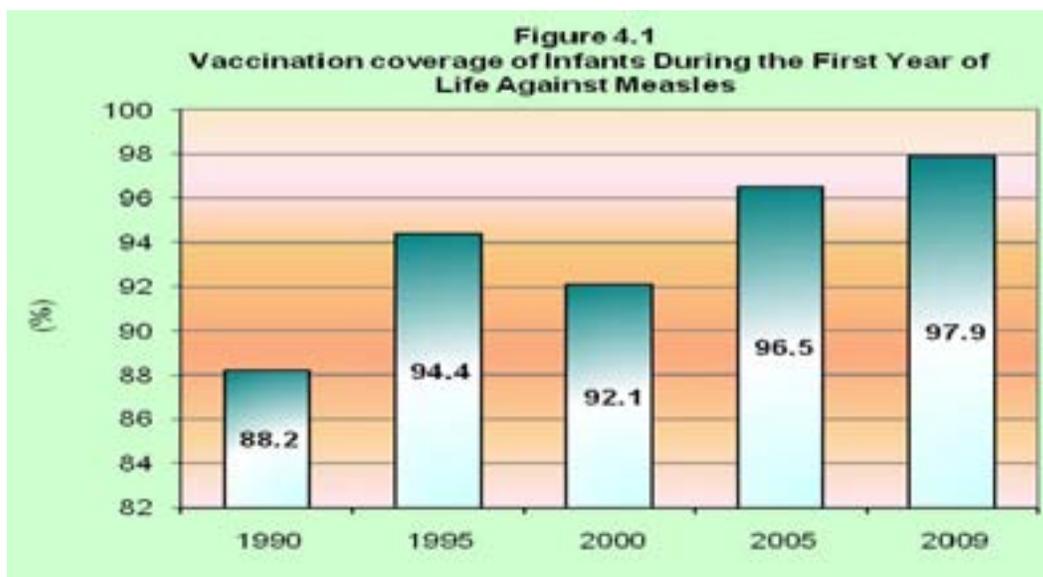


Figure 4.3
Under-five mortality rate

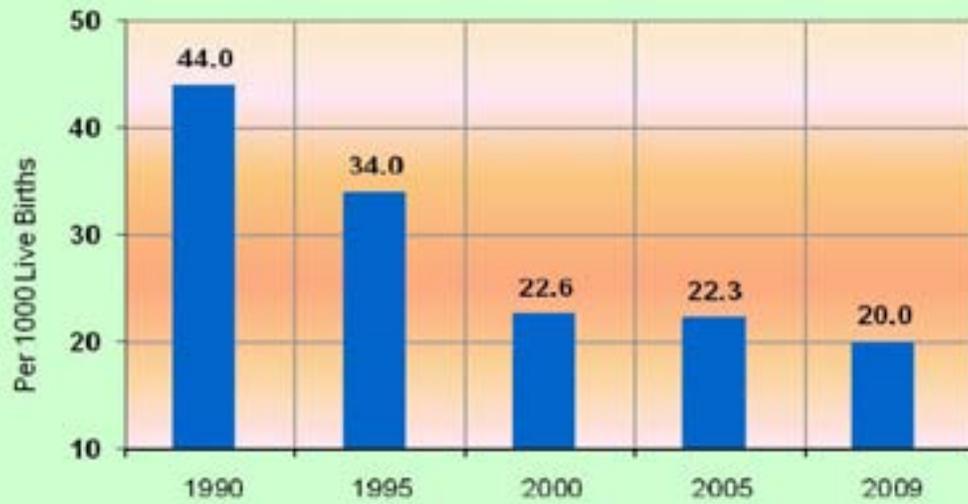
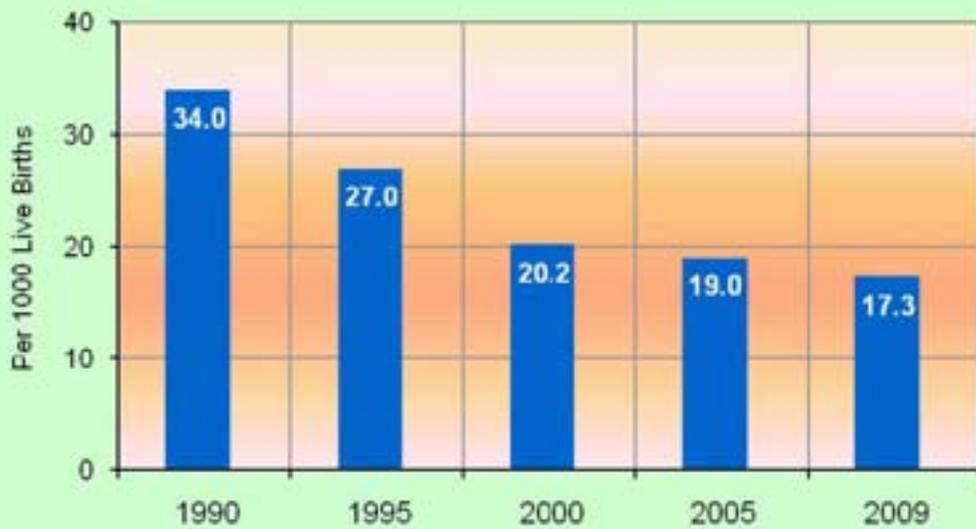


Figure 4.4
Infant mortality rate



■ **Health Services:** Health services are provided through a wide network of healthcare facilities. In 2009, these facilities included 406 hospitals, with a total of 55,381 beds. In the same year, the number of doctors rose to 54,599, and the number of nursing staff to 107,397. The number of medical centres providing primary healthcare stood at 2,037, in addition to 1,871 private-sector dispensaries and medical complexes, besides 388 clinics. In light of the 2004 population census, there were 2.44 beds, 2.41 doctors, and 4.74 nurses per 1,000 population.

■ **Organization of Health Services:** The Ministry of Health is the principal healthcare agency, providing preventive, curative and rehabilitative healthcare. In 2009, its share of hospital beds was 60% and of doctors 48.7%. Universities also provide health services through university hospitals, in addition to contributions by the Saudi Red Crescent Authority, King Faisal Specialist Hospital and Research Centre, and the healthcare services of the military, security and other government agencies. The share of government agencies (other than the Ministry of Health) was 19.5% of hospital beds and 21.2% of doctors, with the share of the private sector amounting to 20.5% and 30.1% respectively.

Over recent years, the Kingdom took important steps to promote health services. Notable among these is instituting in 2002 the Kingdom's health system to provide comprehensive healthcare to all citizens. The Health Services Board was established as part of this system and the Cooperative Health Insurance Board was established as per the Health Insurance Regulation; the latter is mandated to applying the health insurance system to all foreign residents in the first phase and to the whole population subsequently.

In another development related to health and nutritional care, the Saudi Food and Drug Authority was established in 2003, with responsibility for maintaining safety and effectiveness of foodstuffs, and biological and chemical substances, in addition to formulating a clear food-and-drugs policy.

FUTURE DIRECTIONS

Demand for healthcare services is steadily rising due to several factors; most significant among which are the relatively high rate of population growth and society's increasing awareness of the importance of healthcare in general and preventive care in particular. Attention over the coming period will, therefore, be focused on full implementation of the cooperative health insurance system.

Administrative and organizational structures will also be developed with a focus on decentralization, giving local agencies the authority deemed necessary for effective operation. Moreover, government health centres will become independent cost centres subject to evaluation and accountability according to appropriate performance measures. As progress in implementing the cooperative health insurance system is achieved, the role of the private sector in providing health services will be enhanced.

Accordingly, the Ninth Development Plan seeks to provide comprehensive, integrated and high-quality healthcare services that should cover all members of society, with balanced regional distribution of the services. The targeted healthcare will be run by an efficient health sector, with the purpose of promoting health and enhancing quality of life. The Plan has adopted a number of targets to accelerate achievement of the Millennium Development Fourth Goal (Box 4.1).

Box (4.1): Selected Targets from the Ninth Development Plan Relevant to MDG Goal 4

- To continue to maintain vaccination coverage of children against communicable diseases at a minimum of 97% for diphtheria, whooping cough, tetanus, polio, measles, rubella, mumps, tuberculosis and hepatitis B.
- To reduce the incidence of hepatitis B to 10 cases per 100,000 population.
- To reduce infant mortality rate to 12 per 1,000 live births.
- To reduce mortality rate of children below 5 to less than 15 per 1,000 live births, thus achieving the MDG target.
- To reduce proportion of underweight new - born babies to less than 5% per 1000 live births.

CHALLENGES

The vast area of the Kingdom and the wide differences in population density constitute a challenge to efforts aimed at narrowing disparities in the quality and effectiveness of health services and ensuring comprehensive coverage. Provision of basic health services entails support to primary health centres, particularly in rural areas, including those providing maternal and child care, health education, and preventive health services. Since rural areas are not as attractive to the private sector as urban centres, it is envisaged that the former will remain dependent to a large extent on government health services.

Box (4.2): Overview of Current Situation

Will the goal be achieved by 2015?

✓Expected Probable Not possible Insufficient Data

Supportive environment

✓Good Moderate Poor but
Improving Poor

Box (4.3): Monitoring and Evaluation Environment

Factor	Evaluation		
Data collection capabilities	<u>✓Good</u>	Medium	Poor
Quality of survey data	<u>✓Good</u>	Medium	Poor
Statistical follow-up capabilities	<u>✓Good</u>	Medium	Poor
Statistical analysis capabilities	<u>✓Good</u>	Medium	Poor
Ability to incorporate results of analysis into policies and resource planning	<u>✓Good</u>	Medium	Poor
Monitoring and evaluation mechanisms	Good	<u>✓Medium</u>	Poor

GOAL 5: IMPROVE MATERNAL HEALTH

TARGET 7:

Reduce the maternal mortality ratio by three quarters between 1990 and 2015.

Target Indicators	1990	1995	2000	2005	2006	2007	2008	2009
Maternal mortality (per 100,000 live births)	48	48	16.4	14.9	14.6	14.6	14.3	14
Births attended by skilled health personnel (%)	88	91.4	91	96	96	97	97	97
Immunization of mothers against neonatal tetanus	-	-	93	96	96	95.5	96.1	96.6

TARGET 8:

Achieve, by 2015, universal access to reproductive health.

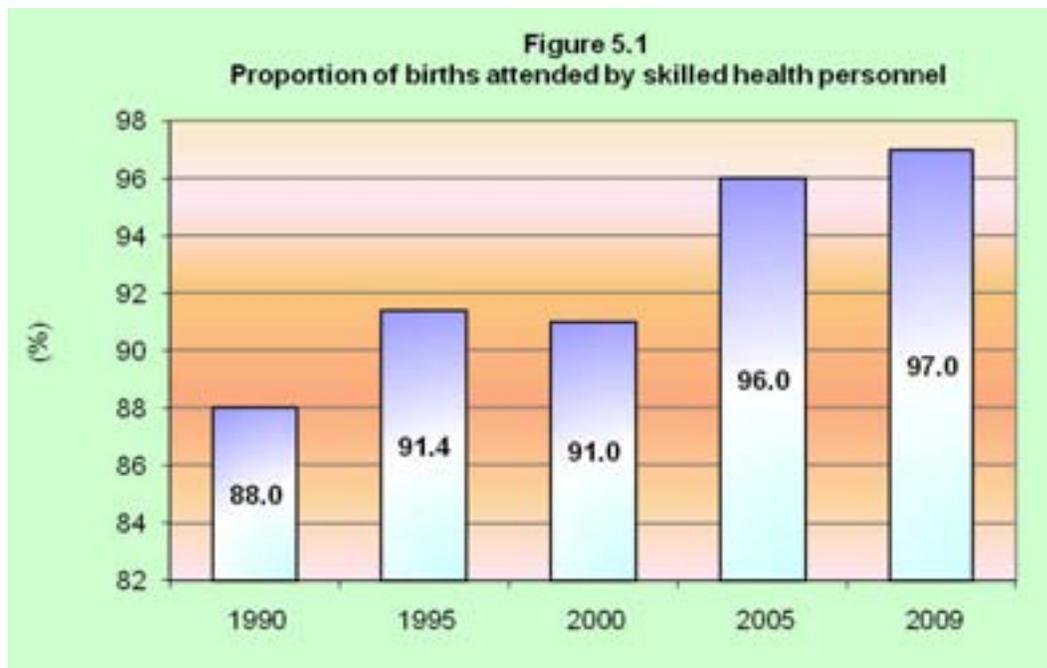
Target Indicators	1990	1995	2000	2005	2006	2007	2008	2009
Proportion of women using contraceptives	-	-	-	-	-	-	-	-
Proportion of teenage pregnancies	-	-	-	-	-	-	-	-
Access to primary healthcare during pregnancy (at least 1- 4 visits) (%)	-	-	-	97	96	97	96	97

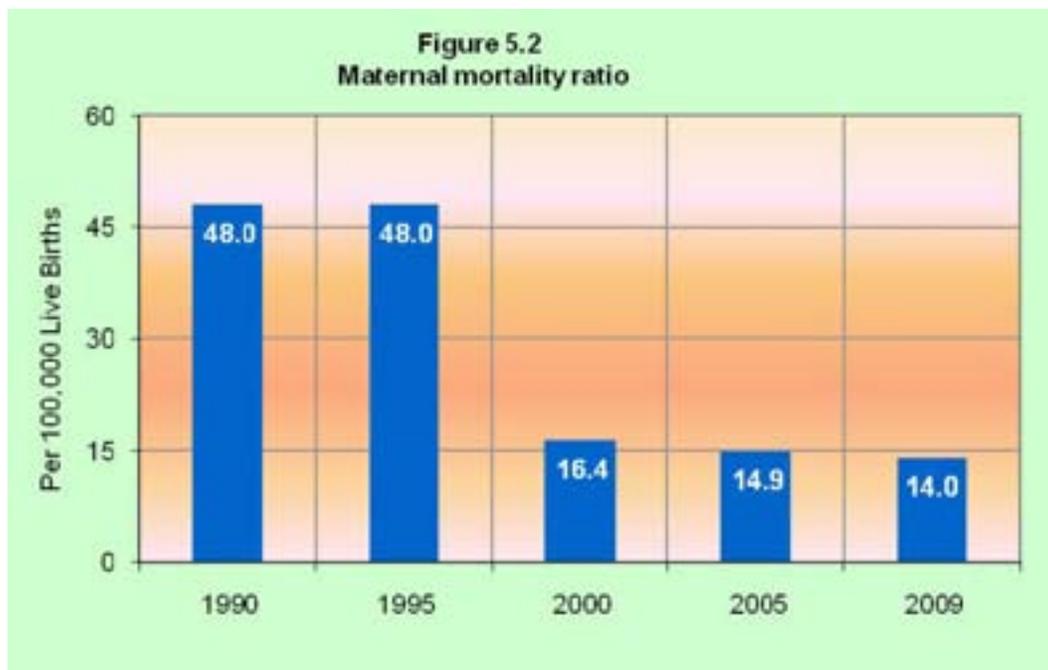
CURRENT SITUATION

The comprehensive maternal care program aims at providing integrated healthcare services to women, covering the periods before, during and after pregnancy.

Quantitative and qualitative development of health services in recent years has led to improvements in maternal healthcare indicators. The proportion of pregnant women provided with healthcare by health professionals increased from 90% in 2000 to 97% in 2009. Vaccination of mothers against neonatal tetanus rose during the same period from 93% to 96.6%. The proportion of births attended by health professionals increased from 88% to 97% during the period from 1990 to 2009 (Figure 5.1). Maternal mortality per 100,000 declined from 48 to 14 over the same period (Figure 5.2).

In light of these indicators, the target of reducing maternal mortality ratio by three quarters is expected to be achieved ahead of the target year. This can be attributed to the healthcare programs currently under implementation. Continuous progress in reducing maternal mortality has been the result of envisaged comprehensive provision of basic health services, including maternal care, health education and other preventive health services, particularly in rural areas.





FUTURE DIRECTIONS

It is envisaged that healthcare programs will continue to be enhanced, in order to provide efficient prenatal, natal and postnatal healthcare, ensuring full health coverage for pregnant women, and that all births are attended by skilled health professionals, in addition to enhancing programs of immunizing pregnant women against tetanus, and health awareness and education programs. Recognizing the significance of the above requirements, the Ninth Development Plan has adopted a number of relevant targets (Box 5.1).

Box (5.1): Selected Targets and Policies from the Ninth Development Plan Relevant to MDG Goal 5

- Bring the ratio of births attended by skilled health professionals to at least 98%.
- Bring the ratio of pregnant women receiving healthcare by skilled health professionals to at least 98%.
- Bring the ratio of pregnant women receiving vaccination against tetanus to at least 98%.
- Bring the Proportion of deliveries attended by skilled health personnel ratio to at least 98%.
- Reduce maternal mortality ratio to less than 13 deaths per 100,000 live births.
- Bring the number of primary healthcare centres to 2958, thus achieving a ratio of one healthcare centre per 7000 population.

Box (5.2): Overview of Current Situation

Will the goal be achieved by 2015?

✓Expected Probable Not possible Insufficient Data

Supportive environment

✓Good Moderate Poor but Improving Poor

CHALLENGES

Continuing high population growth rates and the consequent increase in demand for basic healthcare services, including maternal and childcare, make it necessary to continue to expand facilities and programs to provide access to these services by all population groups.

Box (5.3): Monitoring and Evaluation Environment			
Factor	Evaluation		
Data collection capabilities	<u>✓Good</u>	Medium	Poor
Quality of survey data	<u>✓Good</u>	Medium	Poor
Statistical follow-up capabilities	<u>✓Good</u>	Medium	Poor
Statistical analysis capabilities	<u>✓Good</u>	Medium	Poor
Ability to incorporate results of analysis into policies and resource planning	<u>✓Good</u>	Medium	Poor
Monitoring and evaluation mechanisms	<u>✓Good</u>	Medium	Poor

GOAL 6: COMBAT HIV/AIDS, MALARIA AND OTHER DISEASES

TARGET 9:

Halt, by 2015, the spread of HIV/AIDS and begin to lower its incidence.

Goal Indicators	2004	2005	2006	2007	2008
No. of HIV cases (cumulative)	8,919	10,120	11,510	12,652	13,926
HIV prevalence among the population aged 15–24 years	-	-	-	0.01	0.01
AIDS prevalence among pregnant women aged 15–24 years	0	0	0	0	0

TARGET 10:

Achieve, by 2010, universal access to treatment for HIV/AIDS for all those who need it

Goal Indicators	2004	2005	2006	2007	2008	2009
Proportion of patients in an advanced stage of HIV and who have access to antiretroviral drugs	-	-	100%	100%	100%	100%

TARGET 11:

Halt, by 2015, the spread of malaria and other major diseases and lower their incidence.

Goal Indicators	1990	1995	2000	2003	2004	2005	2006	2007	2008	2009
Prevalence of malaria and associated death rates (per 100,000 population) :										
• Incidence	125	106	35	7.7	5	4.6	4.45	3.8	0.46	0.43
• Deaths	0	0	0	0	0	0	0	0	0	0
Proportion of population in malaria-risk areas using effective malaria prevention and treatment measures (%)	-	-	-	-	-	94	94.5	95	95	95
Prevalence of tuberculosis and associated death rates (per 100,000 population):										
• Incidence	18.6	11.5	11.82	9.6	10.1	10.3	10.3	10.06	10.69	11
• Deaths	-	-	-	-	-	-	-	-	-	-
Proportion of tuberculosis cases detected and treated under DOTS (%)	-	-	-	72.3	85	85	100	100	100	100

CURRENT SITUATION

■ **Combating HIV/AIDS:** Despite the large number of expatriates in the country, efforts made to combat HIV/AIDS have succeeded in controlling it and halting its spread. By the end of 2009, the cumulative number of reported cases reached 15,213, of which 4,019 were citizens and 11,194 expatriates. In 2009, 1,287 HIV cases were reported, of which 806 were expatriates and 481 citizens. Within the latter category, 5% were below 15 years old, 81% in the 15-49 years age group, and 14% in the above 50 years old age group. The proportion of patients with an advanced stage of HIV and who have access to antiretroviral drugs was 100%

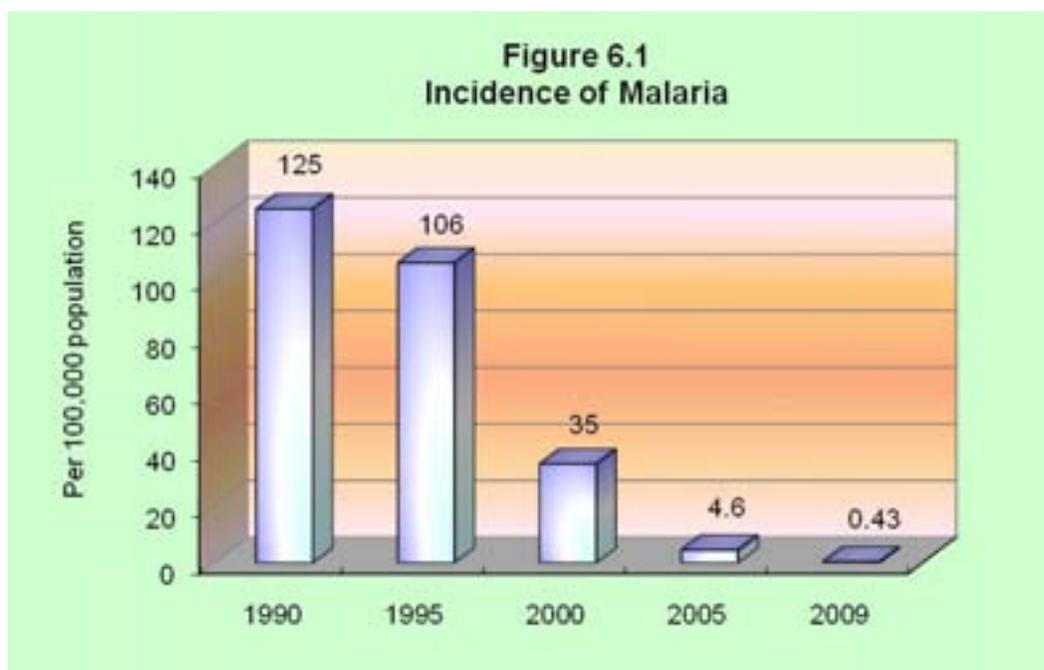
Seeking to control the spread of HIV/AIDS, the government diligently applies preventive measures given the large number of foreign manpower from many countries. The national program for combating HIV/AIDS, which is the focus of national efforts aiming at addressing this issue, comprises the following:

- Health education and awareness, through varied information programs designed to disseminate information about the disease, how it spreads, and how it can be prevented.
- A preventive control system that includes regularly surveying groups at risk, ensuring safety of transfused blood and performing medical tests on expatriate workers, to ensure that they are not carriers, before issuing residency and work permits.
- A national record of reported cases, with the aim of providing follow up and taking appropriate preventive and curative measures.
- Several awareness and education activities are conducted, through print and electronic media, to combat the causes of the disease.
- Lectures are given and symposia are held in all regions of the Kingdom, as part of the activities to mark World AIDS Day.
- Establishing a system for reporting, evaluation and follow up of cases.
- Establishing clinics for optional check-up and advice in 20 governorates and provide training for relevant personnel.
- Conducting studies to determine the incidence of the disease with the most susceptible groups.
- Conducting new surveys of the disease such as pre-marital check-ups.
- Cooperating with experts in the "Syndrome-Treatment Program" and the optional check-ups and consultation clinics. Cooperation with these specialists is under way through a program to upgrade and enhance the human capabilities of the non-governmental voluntary organizations.
- Adopting the Syndrome-Treatment System for sexually transmitted diseases within the primary health care system.
- Opening 8 specialized treatment centres in: Jeddah, Riyadh, Dammam, Jazan, Jouf, Medina, Ihsa, and Aseer, and recruitment of experts for continuous development of the system of treatment with modern medicines (Box 6.1).

Box 6.1: Selected Targets from the Ninth Development Plan Relevant to MDG Goal 6

- Reduce AIDS incidence through the following measures:
 - Promote awareness of AIDS; target high-risk groups; reduce risk through intensive deployment of consulting and examination clinics; ensure safety of transfused blood, and prevent infection through adoption of healthy practices.
 - Establish 20 clinics for optional check-up and advice, establish 8 specialized treatment centres, and conduct surveys.
- Reduce incidence of tuberculosis to 8 cases per 100,000 population.

■ **Combating Malaria:** The incidence of malaria decreased substantially from 125 cases per 100,000 population in 1990 to 0.43 in 2009. The Kingdom is expected to be free of malaria by 2010 (Figure 6.1).

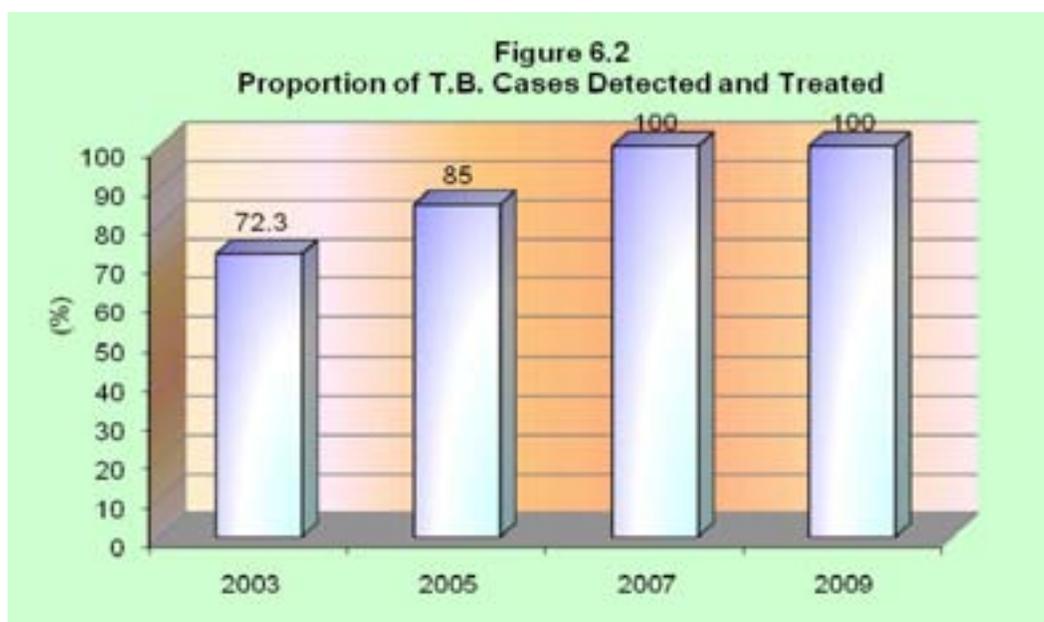


The Kingdom's strategy for combating malaria is based on the following basic pillars:

- Prompt diagnosis and early treatment of cases that display symptoms of malaria, as well as effective preventive measures to halt the spread of the disease.
- Continuous and comprehensive control of malaria-carrying mosquitoes, through spraying houses and lands, and drying out wetlands and swamps where mosquitoes breed.
- Launching awareness campaigns to ensure community participation in control and prevention measures.
- Establishing an efficient monitoring network, particularly in susceptible areas.

■ **Combating Tuberculosis:** The Kingdom is currently implementing a national program for combating tuberculosis aimed at eradicating the disease through adoption of the internationally recommended T.B. control strategy, DOTS. Implementation of DOTS commenced in 1998 and was extended to all regions in 2000.

The program has already achieved remarkable success, with incidence falling from 11.82 cases per 100,000 population in 2000 to about 11 in 2009 and the rate of cured detected cases, in line with DOTS, reaching 100% in 2009 (Figure 6.2).



FUTURE DIRECTIONS

The fight against communicable diseases will continue unabated, using both curative and preventive means. The Ninth Development Plan aims at linking widespread health centres to public hospitals, in order to enhance the technical capabilities of the centres and improve early detection as well as adoption of effective preventive and curative measures.

Moreover, work is under way to develop a comprehensive health information network linking all health facilities and centres as well as related public and private agencies to improve the health database in general and the communicable diseases database in particular.

CHALLENGES

In addition to the substantial number of foreign workers it hosts, the Kingdom receives more than one and a half million Hajj performers during the Hajj season, and about three and a half million Umrah performers. Social and religious values, as well as some other factors reviewed earlier, limit the spread of HIV/AIDS. Yet, spread of other communicable diseases remains possible, which calls for constant vigilance and persistent preparedness.

Box (6.2): Overview of Current Situation			
Will the goal have been achieved by 2015?			
<u>✓Expected</u>	Probable	Not possible	Insufficient Data
Supportive environment			
<u>✓Good</u>	Moderate	Poor but Improving	Poor

Box (6.3): Monitoring and Evaluation Environment

Factor	Evaluation		
Data collection capacities	<u>✓Good</u>	Medium	Poor
Quality of survey data	<u>✓Good</u>	Medium	Poor
Statistical follow-up capacities	<u>✓Good</u>	Medium	Poor
Statistical analysis capacities	<u>✓Good</u>	Medium	Poor
Ability to incorporate the results of analysis into the policies and resource planning	<u>✓Good</u>	Medium	Poor
Monitoring and evaluation mechanisms	<u>✓Good</u>	Medium	Poor

GOAL 7: ENSURE ENVIRONMENTAL SUSTAINABILITY

TARGET 12:

Integrate principles of sustainable development into country policies and programmes and reverse loss of environmental resources.

TARGET 13:

Reduce biodiversity loss, achieving, by 2010, a significant reduction in the rate of loss.

Goal Indicators	1990	1995	2000	2003	2004	2005	2006	2007
Proportion of land area covered by forests (%)	-	-	-	-	0.49	0.49	0.49	0.49
Consumption of ozone depleting substances (ODSs) (ton)	833	1828	1593	882	855	666	675	335
Proportion of fish stock within safe biological limits (%)	-	-	-	-	0.33	0.33	0.33	0.33
Ratio of areas protected to maintain biological diversity to surface area (%)	3.3	3.9	3.7	4.26	4.26	4.26	4.26	4.26

TARGET 14:

Halve, by 2015, the proportion of people without sustainable access to safe drinking water and sanitation.

Goal Indicators	1990	1995	2000	2005	2006	2007	2008	2009
Proportion of population, urban and rural, with sustainable access to safe drinking water, through water distribution system and water tanker services (%)	75	78	80	87	89	93	95	95
Proportion of population with access to adequate sanitation, through wastewater systems (%)	20	25	30	38	41	44	46	46
Proportion of population with access to adequate sanitation, through septic tanks (%)	76	71	67	60	57	54	52	52
Proportion of population with access to adequate sanitation, through wastewater systems and septic tanks (%)	96	96	97	98	98	98	98	98

TARGET 15:

Achieve, by 2020, a significant improvement in the lives of slum dwellers (poor, crowded neighbourhoods).

Goal Indicators	1990	1995	2000	2004	2006	2007	2008	2009
Proportion of households with access to secure tenure *	88	90	92	96	–	99	–	–

*) *‘Households with secure tenure’ refers to families who already own, or are in the process of buying, a house; or who privately lease a house; or who live in social housing or lease the same from a third party.*

CURRENT SITUATION

Protection of the environment and upgrading of relevant regulations are principal objectives of economic and social development in the Kingdom. Consistent with the drive to achieve sustainable development, the Ninth Development Plan (2010–2014) emphasizes conservation and protection of the environment from pollution, and conservation and development of wildlife, as well as conservation and rational utilization of natural resources.

Enhancing sustainable development is a key element of the Kingdom's development directions. Over the past period, significant developments have taken place in the two main areas of sustainable development, namely environmental protection and improving quality of life.

■ *Environmental Protection:*

The drive for environmental protection and conservation reflects a commitment to implement article 32 of the Basic Law of Governance, which states that “the state shall endeavour to conserve, protect, develop and prevent pollution of the environment”. Against this backdrop, several decisions, strategies and measures were issued in the past with an aim to integrate environment-related sustainable development principles into the government's development policies and programs, in such a way that averts wasting environmental resources (Box 7.1). In addition, several programs and projects were implemented leading to tangible progress in all aspects of environmental protection and conservation.

Box 7.1: *Key decisions, strategies and measures taken with an aim to integrate sustainable development principles into the government's policies and programs:*

- Article 32 of the Basic Law of Governance, states that "the state shall endeavour to conserve, protect, develop and prevent pollution of the environment".
- Enactment of the law on regulation of hunting of wild animals and birds in 2009.
- Approval of the National Strategy for Environmental Pollution Control, as per the decision of the Council of Ministers No. 157 in 1990.
- Approval of the National Contingency Plan for Combating Marine Pollution by Oil and other harmful substances, as per Council of Ministers Resolution No. 157 in 1990.
- Issuance of the General Environmental Law, as per Council of Ministers Resolution No. 193 in 2001.
- Creation of the Presidency of Meteorology and Environment, in tandem with the issuance of the General Environmental Law.
- Endorsement of the Kyoto Protocol in 2005.
- Accession to the UN Convention on Biological Diversity in 2001.
- Accession to the UN Convention on Desertification Control in 1997.
- Approval of the National Forestry Strategy and Action Plan, as per the decision of the Council of Ministers No. 306 in 2006.
- Approval of the Kingdom's accession to the Cartagena Protocol on Biosafety, as per Royal Decree No. M/5 in 2007.
- The Cartagena Protocol went into effect in the Kingdom in 2007.
- Approval of the National Biodiversity Strategy, under Council of Ministers Resolution No. 197 in 2008.
- Approval of the National Health and Environment Strategy, under Council of Ministers Resolution No. 292 in 2008.

■ *Natural Environment:*

The enactment of the General Environmental Law, by Council of Ministers Resolution No. 193 in 2001, was a turning point in the course of environmental activity in the Kingdom. In a step that coincided with the decision, the former Meteorology and Environmental Protection Authority (MEPA) was renamed Presidency of Meteorology and Environment (PME), with a mandate to monitor enforcement of the law in coordination with other agencies. In 2006, PME developed the Rules for Implementation of the General Environmental Law. In cooperation with several government agencies, including a number of scientific research centres in the Kingdom, PME initiated implementation of a set of measures in industrial and urban areas. These included identification of types of pollutants in ambient air in polluted areas as well as in densely populated areas. In this regard, studies were initiated to make an inventory of, and to assign emissions to, relevant sources. The studies included assessment of health and economic costs of air pollution; identification of the best possible pollution control policies; implementation of a plan to update environmental standards and guidelines relevant to air and water quality in the regions and to further develop and upgrade the plan in addition to implementation of a scheme for environmental inspection of business establishments. PME cooperates with relevant government agencies in implementing a set of measures for conservation and control of environmental degradation of the Kingdom's coasts. Among these activities is the work currently underway to issue a coastal areas administration plan and related rules for implementation, along with ongoing efforts to vigorously enforce the national plan to combat oil pollution, and initiation of aerial and marine surveys of the Kingdom's coasts. During the Eighth Plan period (2005-2009) a program was launched to conduct periodic inspections of gas, car washing and lubrication stations. The program involved setting up units equipped with state-of-the-art equipment and instruments to carry out inspections all over the Kingdom. Promotion of public awareness of environmental issues received considerable attention from the government. Among other measures taken in this regard, Saudi Arabia launched its first satellite Arabic T.V station "Bee'aty" ("my environment"), besides setting up the national centre for promotion of environmental awareness. Several workshops were also conducted on environment and development, in addition to expansion of media campaigns designed to promote awareness of environmental issues. Furthermore, it is worth noting that environmental considerations are accorded significant weight by the Kingdom's industrial sector (Box 7.2).

Box 7.2: Industrial sector and environmental considerations

The Kingdom's industrial sector takes due account of environmental considerations, starting with the planning phase of industrial projects, through selection of technologies and up to the production phase. In a first step, industrial enterprises submit the relevant environmental studies, based on the recognized classification of the enterprise (first, second and third levels). Accordingly, plant emissions/waste is identified as either gaseous, liquid or solid, in order to determine means of dealing with it in terms of feasibility of meeting environmental requirements, as stated in the General Environmental Law adopted in 2001.

Environmental Management System

Industrial firms have demonstrated commitment to environmental protection through endeavors to apply internationally recognized standards in fulfillment of ISO 14001 requirements. For example, the Saudi Basic Industries Corporation (SABIC) issued a corporate environmental manual in 2002 and recently applied an environmental management system at headquarters and in subsidiary companies. In doing so, SABIC has joined the ranks of world class industrial corporations with a proven commitment to environmental protection.

Air quality

Recognizing the importance of maintaining good air quality, industrial cities have been equipped with air quality monitoring stations to measure and identify levels of emissions of plants. These stations record carbon dioxide and carbon monoxide concentration levels plus other standards specified by the Rules for Implementation of the General Environmental Law. The program is part of several mechanisms designed to maintain good air quality. For example, SABIC has carried out several programs for the same purpose, including a mobile monitoring station to measure emissions in ambient air and industrial emission sources. SABIC has also installed sensors to measure emissions on an ongoing basis.

Waste management

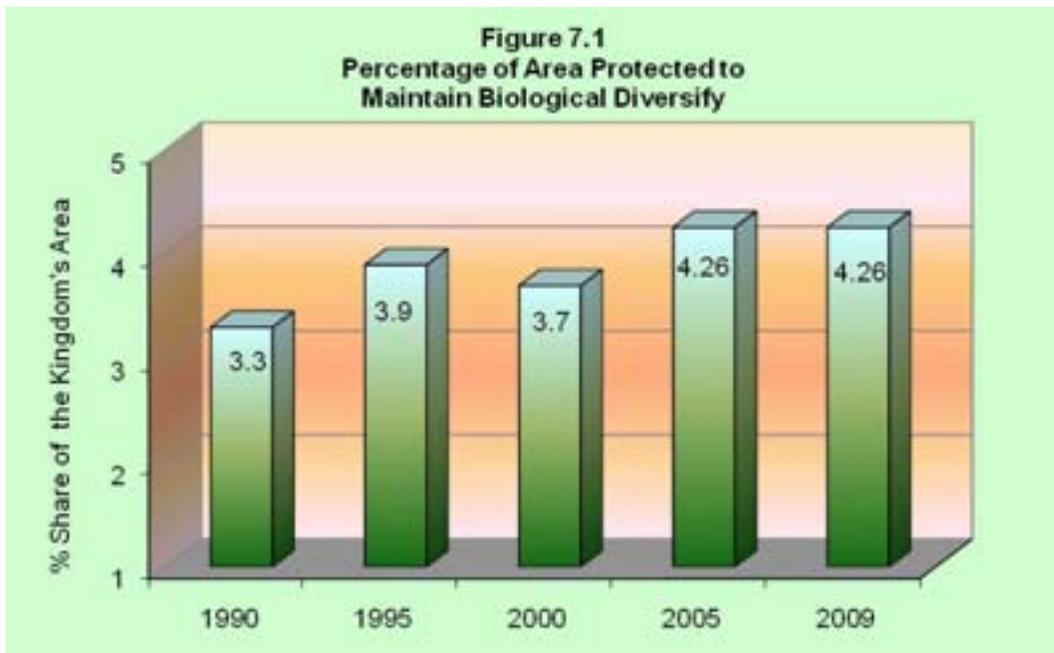
Considerable efforts are made by the industrial sector within the context of waste management and recycling of a considerable proportion of waste, with such proportion reaching 50% of waste generated in some plants. This has yielded many opportunities in terms of economic, social and environmental benefits, including recycling of oil and paper. On the other hand, legislations conforming to WHO standards have been applied to medical waste.

Conservation of marine life as a natural resource

Industrial plants conduct a number of environmental protection programs that seek to maintain quality of water intended for discharge into the Arabian Gulf and the Red Sea. Periodic monitoring of water quality is carried out through application of more than 30 standards that cover physical, chemical and organic properties, and standards are measured either automatically or through sample taking and laboratory analysis. The monitoring program aims at assuring the safety of marine environment. In this regard, SABIC conducts ongoing monitoring of these standards in the two industrial cities of Jubail and Yanbu, with a strict commitment to environmental legislations on marine life. Other programs are also conducted by several sectors to monitor quality of groundwater used for domestic and agricultural purposes.

■ **Wildlife Conservation:**

In the area of conservation and development of biodiversity in the Kingdom, the National Commission for Wildlife Conservation and Development (NCWCD) has developed a set of measures and policies that focus on conservation of terrestrial and marine wildlife. In this regard, NCWCD re-introduced threatened species to their habitats. NCWCD looks after administration of 16 protected zones with a total area of 82,7 thousand square kilometres, or 4.26% of the Kingdom's area (Figure 7.1). Over the past five years, two of the largest protected zones, Harrah Alharrah in the Jouf region and Khunfa in the Tabouk region, have been demarcated. In addition, NCWCD research centres breed threatened species and re-introduce them to their habitats. On the other hand, NCWCD continues its efforts to monitor changes to ecosystems in protected areas, such as changes in flora, and conducts periodic studies to evaluate biodiversity in these areas. It also produces maps of significant flora and fauna areas in the Kingdom, and conducts GIS-based demarcation of proposed protected areas.



■ **Desertification Control:**

The Kingdom exerts tremendous efforts to control desertification and sand encroachment in order to conserve the desert environment and related biodiversity. Promotion of public awareness as to the importance of collective work in implementing national desertification control programs is also part of these efforts. In this context, the Ministry of Agriculture extended protection to 40 sites in various regions of the Kingdom with an aim to protect plants from overgrazing. The Ministry also set up three stations for breeding of grazing plant seeds, plus 27 nurseries for grazing and forestry plants, in addition to a bank for genetic origins of plants. A centre has also been set up to receive space photos transmitted by satellite to monitor sand encroachments which threaten habitable and cultivable areas. The centre conducts studies on desertification rates and carries out rehabilitation of flora in grazing and forestry areas. In addition, a centre has been established for desert studies and control of desertification, with an objective to encourage research and studies in this field. Furthermore, wide-scale efforts are made to conserve forests and to enforce the relevant regulations. The country also seeks to reverse deforestation through implementation of reforestation projects, stabilization of sand dunes through plantation, and establishment of national parks. Work is under way on a project for demarcation of forests in the Southern Region of the country by the Space Research Institute-KACST using remote sensing technology. Several national parks of tourist and recreational significance have been tendered out for investment in order to promote private sector participation in development and to highlight the role of national parks in environmental conservation.

■ **Quality of Life:**

As a result of development efforts during successive development plans, safe and clean water is supplied to 1,660 cities, towns, villages and hamlets, while water tanker services are provided to 4,060 villages and hamlets. The proportion of population with sustainable access to safe drinking water stood at about 95% in 2009, while the proportion of population with access to sanitation reached 98%. Per capita water consumption in the Kingdom is estimated at about 250 litres per day, a relatively high level compared with other countries where consumption typically ranges between 150 and 200 litres per day. Programs aimed at conservation and rationalization of water usage have been initiated. In another arena, great strides have been made to develop the housing sector. Based on the

2004 Population and Housing Census, and construction permits issued since then, the number of housing units reached about 4.6 million in 2008, accounting for an increase of some 600,000 units over the corresponding 2004 figure. Data from the 2007 demographic survey show that the proportion of households with access to secure tenure is about 99%. In UN terminology, this term refers to families that own or rent their housing, or live in social housing or employer-provided housing with access to safe drinking water and sanitation facilities. The private sector has played a key role in meeting market demand and in financing most housing units constructed over the previous years. The government's role in providing housing to needy households have been growing rapidly. In 2006, the government allocated SR10 billion from the state budget surplus for the social housing program. In response to developments in the housing sector, the responsibility for the program was assigned to the General Housing Authority (GHA) which was created in 2007. The first such projects were initiated by GHA in 2009 in Hafr Al Batin, Qurayyat, Arar and Jazan with the aim to secure housing for needy groups. The Eighth Plan period has also seen increased activity of the country's leading charitable societies in providing housing to the most needy citizens. Furthermore, the role of REDF in finance of housing units has gained increased momentum as the number of units financed has doubled compared to the Seventh Plan period.

FUTURE DIRECTIONS

Continuous emphasis is placed on the vital role of environmental protection and improvement of quality of life in the course of sustainable development (Box 7.3) in a way that will ensure achievement of MDG goals. This role will gain increased support and will improve the Kingdom's environmental indicators, within the framework of the General Environmental Law and approved national strategies related to various environmental aspects. Efforts will be intensified to ensure environmental conservation and protection against degradation, to reduce emissions of industrial pollutants and means of transport, along with continued support to environmental programs needed to address global warming, reverse desertification, develop plant species capable of cultivation in arid land, and develop more renewable water sources that prove economically feasible for agriculture and forestry development. In addition, further attention will be given to conservation, protection and development of terrestrial and marine wildlife, in a way that ensures achievement of biodiversity and diversification of genetic sources. Vigorous efforts will

continue to reintroduce rare and threatened wildlife species into their habitats, and adequate attention will be given to develop capabilities of national human resources, both quantitatively and qualitatively, so that they can attain the Kingdom's ambitions with respect to development and protection of the environment against man-made and natural damages, in addition to implementation of the country's ambitious environmental programs, which include expansion of protected areas, creation of centres for pollution control, environmental research and databases, along with provision of observation, monitoring and early warning equipment needed for various environmental programs.

Work will also continue to give high priority to raising standards of living and improving quality of life. During the Ninth Plan period, the National Water Plan will be issued and a comprehensive national system for water management and conservation will be developed. The Plan targets include implementation of 600,000 new water house connections as well as extension of 15,000 km of water pipes, thus bringing coverage of safe water supply by the end of the plan period to 88%. Coupled with this, 700,000 new wastewater connections and 12,000 wastewater pipelines will be implemented, bringing coverage of wastewater network services to 60% by the end of the Ninth Plan. It is also intended to increase the proportion of wastewater treatment and reuse to about 50%. As regards housing, the Ninth Plan envisages the following vision for the sector: "A housing sector capable of providing comfortable amenities and welfare to various social segments in all provinces, in which the private sector plays a leading role in finance and implementation, supported by an advanced real estate market, as well as laws and legislations, and comprehensive and updated housing databases"⁷. Based on this vision, one million housing units will be built during the Ninth Plan period to meet 80% of the expected demand. Of this total, the private sector will build and finance 775,000 units, while GHA will build 66,000 units, in addition to 50,000 units to be built by a number of government agencies. In addition, REDF is expected to finance the construction of 109,000 housing units. The Ninth Plan policy lays stress on giving priority in government housing support to segments that cannot obtain adequate housing through the market mechanism. In addition, the plan policies underscore the requirement to develop and boost REDF capabilities, and calls for strengthening of GHA's role and capabilities. The comprehensive national housing strategy and regional sub-strategies are expected to be developed during the plan period.

⁷) *Ninth Development Plan (Arabic version) Page 340.*

CHALLENGES

Ambitions of sustainable development, including environmental protection and improving quality of life, face several challenges. National strategies, both those already in place and those in preparation, provide a clear vision and specific targets for ensuring environmental sustainability. However, sectoral, spatial and time factors require additional administrative and technical capacities, as well as coordination among various government and private agencies.

Box (7.3): Selected Targets and Policies from the Ninth Development Plan Relevant to MDG Goal 7

- To develop a national plan to respond to environmental disasters
- To install 4 weather monitoring radars, 10 stationery marine monitoring stations, 40 air quality monitoring stations, 8 weather monitoring stations in protected areas, supply and installation of 100 agricultural weather monitoring stations, 21 automatic monitoring stations, and 3 mobile stations to measure noise level.
- To enhance private sector involvement in environmental development programs.
- To strengthen IT structure and studies that address various issues of the environment and environmental protection.
- To issue the national water plan during the Ninth Plan period.
- To implement 600,000 new water house connections and extend 15,000 km of water pipes, to bring coverage to 88% by the end of the plan period.
- To implement 700,000 new wastewater connections and 12,000 wastewater pipelines, to bring coverage to 60% by the end of the plan period.
- To increase waste recycling ratio to 75%.
- To give priority in government housing support to segments that cannot obtain adequate housing through market mechanism.
- To diversify instruments of housing finance and support provided by the government and the private sector.
- To strength the role and capabilities of the General Housing Authority.

Intensive efforts are being made to implement the envisaged expansion and improvement of water, sanitation and housing services, in both rural and urban areas. However, the sector faces the major challenge of water scarcity. Vigorous efforts are therefore required to bridge the gap between groundwater extraction and recharge rates, and to raise quality level of water and sanitation services to bring them closer to international standards.

Box (7.4): Overview of Current Situation			
Will the goal have been achieved by 2015?			
<u>✓Expected</u>	Probable	Not possible	Insufficient Data
Supportive environment			
<u>✓Good</u>	Moderate	Poor but Improving	Poor

Box (7.5): Monitoring and Evaluation Environment			
Factor	Evaluation		
Data collection capacities	<u>✓Good</u>	Medium	Poor
Quality of survey data	<u>✓Good</u>	Medium	Poor
Statistical follow-up capacities	<u>✓Good</u>	Medium	Poor
Statistical analysis capacities	<u>✓Good</u>	Medium	Poor
Ability to incorporate the results of analysis into the policies and resource planning	<u>✓Good</u>	Medium	Poor
Monitoring and evaluation mechanisms	Good	<u>✓Medium</u>	Poor

GOAL 8: DEVELOP A GLOBAL PARTNERSHIP FOR DEVELOPMENT

INTRODUCTION

The Kingdom of Saudi Arabia is a major donor and a key partner in international development. Foreign aid is an intrinsic element of the country's foreign policy and the country is a leading donor, with aid provided by it to developing countries estimated to have totalled more than \$99.75 billion between 1973 and 2009.

The aid provided by the Kingdom to the developing countries, as a share of GDP, exceeded the 0.7% share of donor countries GDP targeted by the UN for support of development. This aid included untied, non-refundable aid and developmental soft loans provided by the Saudi Fund for Development. 95 developing countries in Asia, Africa and other regions of the world have benefited from this aid.

The Kingdom provides aid through different channels, mainly the Saudi Fund for Development, which acts as the official channel for economic and social development aid. In addition, the Kingdom contributes to multilateral, regional and international development funds such as the World Bank, the Arab Fund for Economic and Social Development, the Islamic Development Bank, and the OPEC Fund for International Development.

Foreign aid offered by the Kingdom are dispensed through different mechanisms, including soft loans, grants, relief aid, and debt cancellation. More than \$6 billion of poor-countries' debts have been forgiven.

FOREIGN AID CHANNELS

The Kingdom provides aid to developing countries through various channels:

■ ***Saudi Fund for Development (SFD):*** Established in 1974 to participate in financing development projects by granting loans to developing countries, to promote national exports through finance and export guarantees, SFD is a legal entity with an autonomous financial status. SFD commenced its activity with a capital of SR10 billion (\$2.7 billion), which has since been increased thrice to reach SR31 billion (\$8.3 billion). SFD provides soft loans, irrespective of geographical location, and concentrates on financing priority development projects, particularly in poorer countries.

■ ***Regional and International Development Institutions:*** The Kingdom contributes to a large number of Arab, regional and international development institutions (Table 8.1). It is a founding member of the World Bank and the IMF, enjoys voting power in both institutions, and is represented by an executive director in each. It is also a member of the Multilateral Investment Guarantee Agency (MIGA), itself a member of the World Bank Group. MIGA is entrusted with channelling foreign direct investment to developing countries through offering risk guarantees to investors and lenders and providing technical assistance to enable such countries to attract and retain foreign investment.

Saudi Arabia is the largest contributor to the capital of the Islamic Development Bank (IDB) (26.56%). Cumulative financing operations approved during 1976-2009 amounted to about \$63.9 billion, of which more than \$21.5 billion were for financing projects in a number of developing countries. The Kingdom is also a major contributor to the OPEC Fund for International Development, which was established in 1976 by OPEC member countries as a development finance institution. The Fund gives priority to helping poor countries pursue economic and social development. Up to the end of 2009, the Fund provided 1,264 loans, with a value of \$8,703 million, to 125 countries, including 51 in Africa, 42 in Asia, 28 in Latin America and the Caribbean, and 4 in Europe.

Table (8.1)
Saudi Arabia's Contributions to Arab, Regional and
International Development Institutions up to 2009

(US \$Million)

Institutions	Capital	Kingdom's Contribution	Kingdom's Contribution (% share of capital)
Arab Monetary Fund	2808.0	416.3	14.82
International Monetary Fund (IMF)	339101.4	10897.4	3.21
African Development Fund *	*	306.3	2.01
OPEC Fund for International Development	3435.0	1033.3	30.08
Islamic Solidarity Fund for Development	10000.0	1000.0	10.00
International Fund for Agricultural Development (IFAD)	3652.0	389.8	10.67
Arab Fund for Economic and Social Development	6993.0	1677.7	23.99
Arab Bank for Economic Development in Africa	2800.0	685.0	24.46
Islamic Development Bank	24960.0	6629.4	26.56
World Bank	189918.0	5403.8	2.85
African Development Bank	32780.9	61.7	0.19
International Development Association (IDA)	199423.0	2348.2	1.18
Arab Authority for Agricultural Investment and Development	350.4	78.7	22.46
International Finance Corporation	2369.4	30.1	1.27
The Arab Investment Guarantee Corporation	194.5	13.1	6.74
Islamic Institution for Investment and Export Credit Insurance	234.0	21.1	9.02
Islamic Institution for Development of the Private Sector	1000.0	76.2	7.62
International Islamic Institution for Trade Finance	750.0	120.0	16.00
Multilateral Investment Guarantee Agency	1900.0	59.8	3.15

*) *The African Development Fund has no capital; it depends on grants by donor countries.*

Source: Saudi Fund for Development, Annual Report 2009.

It is also noteworthy that the Kingdom's private sector took the initiative in founding the Arab Gulf Program, which supports the UN development organizations and provides technical assistance to several developing countries.

■ ***Sectoral Government Agencies:*** The Kingdom provides aid through specialized government agencies, such as medical aid by the Ministry of Health, food aid by the Ministry of Agriculture, and university scholarships by the Ministry of Higher Education.

■ ***Saudi Arabia Red Crescent Society:*** This society, together with government agencies, provides emergency humanitarian aid to countries affected by disaster and crisis.

■ ***Organized Charity Activities:*** These include aid raised and offered under government supervision, through ad hoc committees, in response to specific events, such as natural disasters and humanitarian crises due to armed conflicts and famines.

FORMS OF FOREIGN AID

Saudi foreign aid is provided in the following forms:

■ ***Soft loans:*** The Kingdom gives soft loans to developing countries to be repaid over 20 years, with a grace period of five years. These loans are granted within the framework of bilateral agreements between the Kingdom and the borrowing country, or through multilateral agreements, where the Kingdom shares aid provision with other donor countries.

■ ***Grants:*** These could be in cash or in kind, with eligibility determined on a case-by-case basis.

■ ***Humanitarian Relief and Assistance:*** This kind of aid is provided in response to emergencies resulting from natural disasters, famines or armed conflicts.

■ ***Educational Fellowships:*** The Kingdom provides a number of scholarships to qualified students in developing countries to study in Saudi universities.

HUMANITARIAN ASSISTANCE

The Kingdom is one of the major providers of relief aid. Addressing the Arab League Kuwait Summit in 2009, the Custodian of The Two Holy Mosques announced that the Kingdom shall provide one billion US Dollars for reconstruction of Gaza. In the same year, Saudi Arabia extended emergency relief to people affected by war, earthquakes, floods, snow and draught in Pakistan, Bangladesh, Vietnam, the Philippines, Burkina Faso, Niger, Indonesia and Sri Lanka, with a total amount of \$11.4 million.

Moreover, the Kingdom donated \$500 million to the World Food Program in 2008, following WFP's urgent appeal for help to bridge the critical gap of funds needed to finance relevant projects, in the aftermath of the sharp rise in the prices of food and fuel. It is noteworthy that the Kingdom donates 4,000 tons of dates annually to the WFP for distribution to needy countries.

In the Donors Conference convened in London in 2006, the Kingdom pledged \$1 billion for Yemen, through the Saudi Fund for Development, in addition to financial assistance for removal of landmines in Aden governorate.

In 2006, Saudi Arabia donated \$500 million, plus a bank deposit of \$1,000 million, for reconstruction of Lebanon.

In 2003, Saudi Arabia pledged \$1 billion for the reconstruction of Iraq, including \$500 million for financing development projects via the Saudi Fund for Development and \$500 million for the program related to finance and guarantee of Saudi exports to Iraq. This is in addition to the continuous humanitarian assistance provided to the Iraqi people in the form of foodstuffs, medical supplies and equipment. The Kingdom also established a field hospital in Baghdad. Moreover, it established 10 water purification plants, and air-lifted some Iraqi patients to Saudi hospitals to receive specialist treatment.

ECONOMIC AND SOCIAL DEVELOPMENT AID

This section reviews bilateral and multilateral economic and social aid provided by the Kingdom in 2009 and total aid over the 1975-2009 period, along with the sectoral distribution of aid.

■ ***Bilateral Aid:*** In 2009, 21 bilateral loan agreements were concluded, through the Saudi Fund for Development, with 19 developing countries (11 in Africa, 6 in Asia and 2 in various regions), with a total value of SR1984.5 million, to contribute to financing of 21 development projects. The transport sector received the largest share of both total amounts and number of projects. The Fund financed 9 projects, including 7 projects in the roads sector, plus one project each in sea ports and airports, with a total value of SR786.25 million, or 39.62% of the Fund's total financing in 2009.

Continuing its attention to social infrastructure sector, SFD financed 5 projects, with a total value of SR293.25 million, or 14.78% of the Fund's total financing in 2009. In addition, SFD financed 1 project in the energy sector, with a total value of SR300 million, or 15.12% of the Fund's total financing for 2009. The manufacturing and mining sector received about SR200 million, or 10.07% of the Fund's total financing for 2009, as shown in Table (8.2).

■ ***Multilateral Aid:*** Together with other financing sources, the Kingdom participated in financing 13 development projects in 12 developing countries, with a total value of SR1135.25 million (Table 8.3).

Table 8.2
Sectoral Distribution of SFD Loans, 2009

Sector	No. of Projects	Amount (SR. million)	(%) of Total Loans
1. Transport	9	786.25	39.62
- Roads	7	692.50	34.90
- Ports	1	56.25	2.83
- Airports	1	37.50	1.89
2. Agriculture	5	405.00	20.41
3. Energy	1	300.00	15.12
4. Social infrastructure	5	293.25	14.78
- Education	1	45.00	2.27
- Health	3	154.50	7.79
- Water and sanitation	1	93.75	4.72
5. Manufacturing and mining	1	200.00	10.07
TOTAL	21	1984.50	100.00

Source: Saudi Fund for Development, 2009 report.

Table 8.3
Loan Agreements Signed in 2009 (joint finance of some projects)
(SR. Million)

Country	Project Title	Total Cost	Fund's Contribution	Other Financing Partners and Amount of Finance
Cameroon	Foumban – Manki-Magba – Mape Bridge Road	156.00	45.00	OPEC Fund for International Development, US\$ 5.47 million Arab Bank for Economic Development in Africa, US\$ 8.00 million Islamic Development Bank, US\$ 10.99 million
Malawi	Thyolo – Bangula Road	259.00	45.00	Kuwait Fund for Arab Economic Development, US\$ 14.044 million, Arab Bank for Economic Development in Africa, US\$ 10.00 million, OPEC Fund for International Development, US\$ 10.00 million
Gambia	Banjul International Airport Rehabilitation and Upgrading (Phase II)	131.25	37.50	OPEC Fund for International Development, US\$ 8.00 million Kuwait Fund for Arab Economic Development, US\$ 10.85
Cape Verde	Fogo Island Ring Road (Phase I)	116.85	37.50	Arab Bank for Economic Development in Africa, US\$ 8.00 million OPEC Fund for International Development, US\$ 8.00 million
Burkina Faso	Koudougou - Dédougou Road	244.20	45.00	Arab Bank for Economic Development in Africa, US\$ 8.83 million Kuwait Fund for Arab Economic Development, US\$ 12.00 million OPEC Fund for International Development, US\$ 8.00 million Islamic Development Bank, US\$ 16.30 million

Country	Project Title	Total Cost	Fund's Contribution	Other Financing Partners and Amount of Finance
Niger	Kandadji Dam	1190.00	75.00	<p>OPEC Fund for International Development, US\$ 15.00 million</p> <p>Arab Bank for Economic Development in Africa, US\$ 10.00 million</p> <p>Islamic Development Bank, US\$ 50.00 million</p> <p>Kuwait Fund for Arab Economic Development, US\$ 20.00 million</p> <p>African Development Bank, US\$ 64.422 million</p> <p>West African Development Bank, US\$ 20.00 million</p> <p>Regional Development Fund for the Economic Union of the West African Countries, US\$ 7.50 million</p> <p>International Development Association, US\$ 25.00 million</p> <p>Abu Dhabi Fund for Development, US\$ 20.00 million</p>
Sudan	Heightening of Roseires Dam	1612.50	150.00	<p>OPEC Fund for International Development, US\$ 30.00 million</p> <p>Kuwait Fund for Arab Economic Development, US\$ 52.00 million</p> <p>Islamic Development Bank, US\$ 80.00 million</p> <p>Arab Fund for Economic and Social Development, US\$ 203.00 million</p> <p>Abu Dhabi Fund for Development, US\$ 25.00 million</p>

Country	Project Title	Total Cost	Fund's Contribution	Other Financing Partners and Amount of Finance
	White Nile Sugar	3697.50	200.00	Arab Fund for Economic and Social Development, US\$ 72.00 million Islamic Development Bank, US\$ 72.00 million Abu Dhabi Fund for Development, US\$ 50.00 million OPEC Fund for International Development, US\$ 25.00 million Saudi Exports Program, US\$ 50.00 million
Kenya	Pediatric Emergency Center and National Burns Center at Kenyatta National Hospital	90.00	24.00	OPEC Fund for International Development, US\$ 8.00 million Arab Bank for Economic Development in Africa, US\$ 6.00 million
Mauritania	Atar - Tidjikdja Road	382.50	75.00	Arab Fund for Economic and Social Development, US\$ 38.00 million Islamic Development Bank, US\$ 14.80 million Kuwait Fund for Arab Economic Development, US\$ 20.00 million
Maldives	Reconstruction of Fishing Harbors	161,25	56,25	Islamic Development Bank, US\$ 15.00 million OPEC Fund for International Development, US\$ 15.00 million
Pakistan	Construction of Neelum Jhelum Hydro Power Station	8100,00	300,00	Islamic Development Bank, US\$ 137.00 million Abu Dhabi Fund for Development, US\$ 100.00 million OPEC Fund for International

Country	Project Title	Total Cost	Fund's Contribution	Other Financing Partners and Amount of Finance
				Development, US\$ 31.00 million Kuwait Fund for Arab Economic Development, US\$ 12.00 million
Albania	Construction of Durres Bypass Road	132,00	45,00	Kuwait Fund for Arab Economic Development, US\$ 6.00 million
TOTAL		16273,05	1135,25	

Source: Saudi Fund for Development, Annual Report, 2009.

■ **Total Aid 1975–2009:** Saudi Arabia is one of the largest donors of development aid to developing countries in terms of ratio of aid to GDP.

The number of soft loan agreements concluded by the Saudi Fund for Development since its creation in 1975 and up to the end of 2009 totalled 451 agreements for funding of 451 development projects and economic programs, with a value of SR 30.86 billion. 75 developing countries benefited from this aid.

■ **Sectoral Distribution of Aid:** Saudi foreign aid targeted large-scale investment projects with a long cost-recovery horizon, which, for that reason, are not attractive to investors. The transport and communications sector received the highest share at 32.36%, followed by the social development sector at 23.21%, the energy sector at 18.90%, the agricultural sector at 16.037%, the manufacturing and mining sector at 6.29%, and other sectors at 3.20%.

Table (8.4) shows the sectoral and geographical distribution of Saudi foreign aid in the form of soft loans by the Saudi Fund for Development.

Table 8.4
Sectoral and Geographical Distribution of Cumulative Loans by the Saudi Fund for Development

(SR. Million)*

Sector	Africa		Asia		Other Regions		Total		% of Total
	Number of Projects and Programs	Amount	Number of Projects and Programs	Amount	Number of Projects and Programs	Amount	Number of Projects and Programs	Amount	
1. Transport and Communications									
a) Transport									
• Roads	61	2815,73	36	3204,82	2	62,40	99	6082,95	19,71
• Railroads	7	541,08	8	1094,88	-	-	15	1635,96	5,30
• Sea Ports	10	742,53	9	745,32	2	112,60	21	1600,45	5,19
• Airports	10	250,15	6	141,59	-	-	16	391,74	1,27
b) Communications	4	142,69	2	133,93	-	-	6	276,62	0,90
2. Agriculture	61	3685,48	16	1262,81	-	-	77	4948,29	16,03
3. Energy	14	1649,98	32	4070,31	1	111,06	47	5831,35	18,90
4. Social infrastructure									
a) Water and Sanitation	17	1036,33	14	921,68	2	57,00	33	2015,01	6,53
b) Education	23	1133,63	25	1387,29	-	-	48	2520,92	8,17
c) Health	13	538,26	14	967,55	1	93,75	28	1599,56	5,18
d) Housing and Urban Development	11	645,12	8	383,62	-	-	19	1028,74	3,33
5. Industry and Mining	12	1277,21	6	665,39	-	-	18	1942,60	6,29
6. Other Sectors	19	501,59	4	373,26	1	112,50	24	987,35	3,20
Total	262	14959,78	180	15352,45	9	549,31	451	30861,54	100

* One US\$ = 3.75 SR.

Source: Saudi Fund for Development, 2009 Report.

Box (8.1): International Cooperation and Development Objectives of the Ninth Development Plan

- Contribute to international social, economic and civilizational development.
- Support cooperation and integration, both regionally and globally, in the interest of socioeconomic development and the maintenance of international security and peace.
- Provide aid and assistance to the needy all over the world, within available resources and in the context of the values and humanitarian heritage of the Kingdom.

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