

The game plan for growth in Saudi insurance's next decade

On October 31, the world watched as Saudi Arabia stuck the landing for its 2034 World Cup bid. Make no mistake. It is not a lack of contenders, but rather a lot of merit that has secured the Kingdom's spot as the sole bidder for the world's largest sports tournament. From the glorious heritage of our national teams to the world-class players joining our league, football is at the heart of Saudi Arabia's past and future legacy. Our nation has been building both momentum and infrastructure for this win ever since Vision 2030 was incepted in 2016 – with investments and international partnerships to boot.

The 2034 World Cup win, albeit momentous, is only a part of the big picture. At the intersection of economic diversification, infrastructural expansion, private sector participation, and FDI (Foreign Direct Investment) acceleration behind this bid win is a greenfield opportunity for the Saudi insurance sector. It trickles down to every facet of what we do, and extends from pregame preps to post-tournament legacy

The proof is in the numbers, as much as in the potential they bear. Saudi Arabia's National Transformation Plan has earmarked SAR 4.1 trillion (USD 1.1 trillion) of investments in real estate and infrastructure mega and giga projects, including NEOM, The Red Sea, Amaala, and King Salman Park. Many, if not all of these developments will be home to World Cup stadiums, facilities, entertainment venues, and visitors. Capital expenditure on the Kingdom's transport infrastructure – an integral part of the tournament experience – will be equally significant, to the tune of SAR 500 billion (USD 133.3 billion) by 2030.

Planned solar power and renewable energy mega projects are also likely to be at the center of 'sustainability-first' stadium and off-pitch experiences. Put simply, an entire infrastructural ecosystem is shaping up ahead of the 2034 World Cup. From property and construction to casualty and energy insurance, our playing field is vast in matching its complexity, scale, and impact.

This ecosystem also promises to accelerate the Kingdom's already strong FDI and expat influx. Saudi Arabia's Vision Realization Programs have eyed a GDP share of 65% for the private sector, and of 5.7% for FDI by 2030 – and have made steadfast regulatory reforms and policy progress in this direction. More than forty-four multinationals have already received licenses to move their regional HQs to Riyadh. Many more international companies and talents are expected to flock in their footsteps, more so in the lead-up to

the tournament. Among multiple other categories, demand for private life, health, and professional liability insurance from an increasingly diverse consumer base will spike. And our industry is expected to meet and exceed it with sophisticated, innovative, and competitive products and services.

Needless to say, the 2034 World Cup itself unlocks ample volume and value growth avenues for our sector and business. Event, travel, health, cybersecurity, and motor insurance solutions will all be necessary to protect people and companies involved in the tournament. Our group experienced this ripple effect firsthand during the 2022 World Cup in Qatar, at an opportune time when the country was rolling out its national mandatory health insurance scheme.

Beyond the short-term opportunity, the World Cup 2034 will be a catalyst for both the Kingdom's economic legacy and insurance sector transformation. It is a beacon of Arab pride, and a testament to the power of Vision 2030 in driving our nation forward and upward. Our track record at Chedid & Associates speaks volumes on the work and passion we have geared towards this turning point in Saudi history.

We are here for it, and we are ready to lead the charge.