SAUDI ARABIA

Overview

Nominal 1995 GDP for the Kingdom of Saudi Arabia was $128.7 billion, representing a 4.3 percent growth over 1994 GDP. The industrial component of the Saudi private sector was the fastest growing segment of the economy, growing at about seven percent.

Saudi Arabia continued its austerity program with the 1995 government budget, but nevertheless ran a deficit for the year; its thirteenth consecutive shortfall. The Saudi Government borrowed from domestic sources to finance the vast majority of the 1995 budget deficit, increasing total domestic and foreign debt (excluding arrearage) to over $90 billion at the end of 1995, roughly 70 percent of GDP.

In order to reduce its budget deficit for 1995, the Saudi Government raised charges on energy, electricity, water, telephone, worker and visa fees, and airfares at the start of the year. Concurrently, the Saudi Government cut budgeted expenditures by six percent, reducing allocations for education and defense and security but raising allocations for transportation and communication, health and social services, and infrastructure. Meanwhile, the Kingdom continues to study privatization as a medium-term fiscal reform measure, but most observers do not expect the sale of state-owned firms to begin in 1996. Saudi Arabia also represents a growing market for U.S. goods and services. Saudi Arabia was America's sixteenth largest trading partner in 1994, consuming $6.0 billion of non-military U.S. goods. Despite budget austerity measures, a growing Saudi economy coupled with the strong reputation of U.S. products may yield a wide variety commercial and defense opportunities for U.S. firms.

Defense Industry Environment

The United States and Saudi Arabia have enjoyed a strong, close relationship since the establishment of diplomatic relations in November 1933. Located between two of the world's most critical waterways -- the Arabian/Persian Gulf and the Red Sea -- Saudi Arabia is key to controlling the movement of world oil trade and a large amount of commercial and military traffic, both on the water and in the air.

While the Saudi defense budget is not a public document, it is estimated that between 30 to 35 percent of the government annual budget is allocated to defense spending. The Kingdom's defense budget accounts for an average 12.5 percent of GDP, one of the highest rates in the world, and oil export earnings dictate, to a large extent, Saudi defense purchases.

The U.S. has a large Foreign Military Sales (FMS) program in Saudi Arabia, including the F-15, AWACS, missiles, air defense weaponry, military vehicles, and other equipment. A U.S. Military Training Mission provides training and support for these weapons and other security-related services to the Saudi armed forces. A similar program assists the Saudi Arabian National

Guard. Saudi and American security interests coincide in support of a stable and peaceful Middle East region, ensuring economic development and prosperity for all concerned parties.

Iran and Iraq pose the most serious security threats to Saudi Arabia and other countries in the Arabian Gulf. This threat is primarily military, insofar as the two states threaten the secure flow of oil from the Arabian Gulf to world markets. In addition, Iran shelters hegemonic ambitions over the Gulf region, aiming to expand its influence over radical Islamist forces, employing subversion and terrorism to realize its goals.

Three independent bodies are charged with security duties: the *Ministry of Defense and Aviation* which uses four uniformed services to protect against external military threats; the *Saudi Arabian National Guard* which is responsible for defending vital internal resources (e.g., oil fields and refineries), providing internal security, and supporting the Ministry of Defense and Aviation as required; and the *Ministry of Interior* which is charged with internal security, police functions, and border protection.

Local manufacturing is limited, and its growth is linked to greater Saudi participation. Large defense contracts often require some sort of "offset" program, and growth in local production is likely to be tied to these offset requirements. Although new acquisitions of military equipment do not officially carry any offset requirements, recent experience shows that there will be some form of offset requirement associated with future major purchases. Offset generally requires that 30 percent of the value of the imported component of a major defense purchase be reinvested in commercially-viable businesses in the Kingdom. Some of the existing offset programs are proving to be difficult and cumbersome to implement, but others are going well. These programs include a U.S. program which materialized into the Boeing Industrial Technology Group along with five joint venture projects; the British Al-Yamamah II Program which is moving forward with a number of investments; and a French program which seems to have been delayed.

The United States, the United Kingdom, and France dominate the supply of arms and training to Saudi Arabia. However, U.K. and French arms suppliers do not yet have a significant presence in all branches of the Saudi armed forces. France has heavy influence in the Royal Saudi Naval Forces (RSNF), the Royal Saudi Air Defense Forces (RSADF), and the Ministry of Interior (MOI), having sold frigates to the RSNF, SAM missiles to the RSADF, and various personal weapons to the MOI. The U.K. influence has been most visible in the Royal Saudi Air Force (RSAF) following its acquisition of Tornadoes and Hawks in 1986 under the U.K. offset deal, Al-Yamamah I.

U.S. defense firms providing major systems or hardware to Saudi Arabia include:

- General Dynamics Land Systems -- MlA2 Main Battle Tanks
- McDonnell Douglas -- F-l5S fighter aircraft
- Hughes -- Peace Shield II radar installations
- Raytheon -- Patriot missile systems
- United Defense/FMC -- Bradley Armored Fighting Vehicles.

Defense Opportunities

Budgetary constraints have reduced the Saudi government's ability to fund the purchase of equipment to meet pending requirements, although the situation could change if the budget outlook improves. At the moment, the best opportunities include maintenance, servicing, and training on newly-acquired weapons. Other potential opportunities are inherent in new weapons acquisitions, including logistic support and associated training and service programs. Notwithstanding, Saudi military officials continue to examine new equipment pending a turnaround in the economy. The Royal Saudi Air Force (RSAF) has a Technical Support Program including management, technical support, and training for the RSAF C-l30 fleet as well as the RSAF F-5B/E/F fleet.

The Ministry of Defense and Aviation seeks to modify and/or sell the national carrier, SAUDIA, fleet of L-1011 Tristar aircraft. Modification is needed for approximately 17 L-1011 aircraft to either a hospital or airfreight configuration.

The Royal Saudi Land Forces are taking delivery of 400 Armored Fighting Vehicles from General Motors (Canada), 315 MlA2 tanks from General Dynamics and 200 Bradley Armored Personnel Carriers from FMC, all under the Foreign Military Sales (FMS) program of the U.S. government. The RSLF are also considering the purchase of 44 Search & Rescue version helicopters under a direct sale arrangement.

The RSAF is currently taking delivery of 72 F-15S fighter aircraft at the rate of 12 per year. In addition the RSAF is considering the purchase of six KC-130J tanker aircraft as a commercial deal. These sales will trigger more expenditures on servicing and maintenance as well as training for Saudi personnel. The Royal Saudi Air Defense Forces (RSADF) is expected to take delivery of an additional 12 PAC-2 Patriot missile units and has set aside the necessary funding for facilities construction.

Because of the shortfall in funding, some programs have been delayed. They include additional purchases of MlA2 tanks and AWACs aircraft, replacement of the C-l30 and the F-5B/E/F fleets, and a naval modernization program.

The Ministry of Interior is acquiring items such as a border security surveillance and monitoring system and other security miscellaneous items including anti-riot water cannon vehicles, armored personnel carriers, and armored personal protection clothing as well as 4,000 four-wheel vehicles and 2,000 personal vehicles, all expected to be in 24 hour/day use.

Defense Procurement Process

Decisions regarding the procurement of major systems typically are made at the highest levels of the Saudi government. The Foreign Procurement department of the Saudi Ministry of Defense and Aviation oversees the details of the procurement of military systems and hardware.

Saudi regulations require foreign companies without local partners that obtain contracts with the Saudi government to appoint a Saudi service agent. As a general rule, most service agents do not undertake substantive tasks on behalf of the foreign company. The primary function of the service agent is to provide a vehicle for the foreign company to obtain the temporary commercial registration required to perform the project in the Kingdom and to assist with other administrative matters such as visas, work force recruitment, and housing.

A service agent may not be needed and no commission is required if the contract relates to "armaments or related services" or if a government-to-government, e.g. FMS, transaction is involved. Under such circumstances, the foreign company without a Saudi partner may file a statement with the Ministry of Commerce that the project is for armaments or related services and therefore, it does not have a Saudi agent. The Service Agents Regulation does not define the term "armaments and related services", and foreign businesses should consult legal advisors or the Saudi Ministry of Defense (MODA) when considering contracts which might involve armaments. Generally, the Ministry of Commerce takes a narrow view of what constitutes "armaments or related services".

Although U.S. major weapons contracts to the Kingdom are handled via FMS arrangements, many service contracts including C3 systems design and integration, maintenance and training on newly-acquired weapons, and upgrading of existing military hardware, present future potential opportunities for bidders on these supporting programs.

Saudi Government Contacts

The following is a list of contacts within the Ministry of Defense with procurement responsibilities:

- Ministry of Defense and Aviation
  Riyadh 11165, Saudi Arabia
  Tel: (966 1) 478-5900/9000 or 477-7313
  Tlx: 401188 MODA SJ
  Contact: *Minister:* HRH Prince Sultan Bin Abdul Aziz Al-Saud
  Acting RSAF Commander: MG Mohammad Al-Hennaidi; Tel.: 477-9051
  Army Aviation Commander: BG Humood Al-Rashoodi; Ext. 3192
  Foreign Procurement Department: MG Abdel Aziz A1-Hussain, Acting Director; Ext. 3117
  Foreign Assistance & Cooperation Department: MG Mohammad Al-Amro, Director; Ext.3042/3044.
  Peace Sun Project: Maj Ibrahim Muhammad al-Saghier (RSAF)
  Cpt Ali al-Kinani (RSAF); Ext. 4533
  FMS Chief of Contracting: Col. Saad Al-Kathlan (RSAF), Acting; Ext. 4758

- Ministry of the Interior
  P.0. Box 3743
  Riyadh 11481, Saudi Arabia
  Tel: (966 1) 401-1111/1872/1860/1944
  Fax: (966 1) 403-3614
  Contact: *Minister:* HRH Prince Naif Bin Abdul Aziz Al Saud
  Coast Guard and Border Force: LTG Mo'jab Mohammad Al-Qahtani;
  Tel: (966-1) 402-0184; Fax: (966-I) 402-0222 Ext. 357
  Aviation: Col. Abdul Bari E. Tawfik, Director

- Saudi Arabian National Guard
  Riyadh 11173, Saudi Arabia
  Tel: (966 1) 491-2222; Fax: (966 1) 491-4429
  Contact: *Deputy Commander:* HRH Prince Badr Bin Abdul Aziz Al-Saud

Diversification and Commercial Opportunities

Despite the potential decreases in military spending, Saudi Arabia has maintained a strong economy which provides many business opportunities for U.S. firms. Discussed below are some the industry sectors that are good prospects for U.S. industry.

Air Conditioning and Refrigeration Equipment

Air conditioning and refrigeration equipment, including compressors, remains one of the most growth oriented markets in Saudi Arabia. Rapid population growth and a harsh climate combine to keep Saudi Arabia a lucrative market for this equipment.

After a downturn in 1995, the market is expected to pick up again in 1996, growing by an estimated 6 percent, from $913 million in 1995 to $975 million in 1996. That growth will mainly result from a 7 percent increase in imports, expected to reach $839 million in 1996. U.S. suppliers compete aggressively with Japanese manufacturers, but have maintained an average 23 percent share of the import market. Capacity at local factories will increase by about four percent from $210 million in 1995 to $220 million in 1996, while about 38 percent of the local output is exported. In the refrigeration sector, there is ample and continuous need for cold storage facilities, both stationary and mobile.

Oil and Gas Equipment and Services

Saudi Arabia is the largest single producer of oil in the world, and industry estimates put Saudi reserves at one quarter of the world total. The oil and gas equipment and services market is large, estimated at about $1 billion, but it is undergoing a rapid contraction which is expected to continue throughout 1995. The market was expected to have dropped by 20 percent in 1995, from $1.1 billion in 1994 to $880 million in 1995. Pending higher oil prices in 1996 and beyond, the Saudi market is expected to recover somewhat in 1996, growing by more than two percent. U.S. suppliers still hold a substantial share, accounting for an average 45 percent of the market.

Warehouse stocks are high and will be drawn down before new purchases are made. A few sizeable projects will go forward, however, and U.S. products are considered very competitive in high-technology areas.

Automotive Parts and Service Equipment

Although Saudi Arabia is the fifth largest world market for U.S. auto parts and equipment, and while Saudi per capita spending on automobiles is among the highest in the world, sales of new automobiles has declined in recent years. This trend will likely persist until 1996 when, according to some estimates, the Saudi economy is expected to recover following a slight increase in world oil prices.

On average, the Saudi market for automotive parts continued to grow by 5 percent annually, reaching $2.34 billion by 1996. Imports, which represent 82 percent of the market, increased by an average 6 percent annually, from $1.73 billion in 1994 to $1.85 billion in 1995, and may reach an estimated $1.94 billion in 1996. U.S. suppliers' share of the market is about 40 percent.

Local production consists mainly of fast-moving items, but is expected to become more varied as more licensing arrangements are made. Local production increased more than two percent, from $411 million in 1994 to $420 million in 1995, and should continue at that level in 1996. However, exports from local facilities are expected to remain flat at $20 million during 1995 and 1996, a slight increase from 1994.

Pumps, Valves, and Compressors

Imports of pumps, valves and compressors surged to record levels in the early 1990s due to a Saudi Aramco capacity expansion program, and low inventories in the aftermath of the Gulf War. Continued expansions and upgrading at refineries, petrochemical plants, power and desalination projects will keep the Saudi pump, valve and compressor market buoyant, growing between 5-10 percent per annum over the next three to four years. Imports, which represent more than 98 percent of the market, are expected to grow 10 percent, reaching a high of $392.5 million in 1996.

Local production is minimal and has remained almost unchanged over the years at $5 million annually. This is expected to change as more pump, valve and compressor suppliers are established. New-to-market U.S. manufacturers of pumps and valves will find it hard to get prequalified by major purchasers such as Saudi Aramco over the next three years unless they are extremely competitive. The market for compressors is a little more open.

While new pump, valve and compressor equipment is of interest, replacement parts and upkeep of equipment offer major opportunities to U.S. firms. American companies already enjoy a 35 percent share of the market mainly competing with Italian, British, German, and Japanese suppliers. In order to gain a greater market share, U.S. firms need to focus on providing service,

upkeep, and high quality products. Competitive pricing has become of major importance because of the country's economic downturn.

Computers and Peripherals

The Saudi market for computers and peripherals remains buoyant. Various Saudi organizations, both public and private, are revamping their systems and downsizing, while at the same time, upgrading their computer equipment. The market was approximately $220 million in 1994, increasing by an average two percent annually, and is expected to reach $229 million by 1996.

IBM-compatible manufacturers in the Far East supply about 40 percent of the market, followed by U.S. suppliers at 36 percent. Computer utilization is on the rise and the replacement market for upgraded and higher capacity machines is also growing. Saudi businesses and government agencies are shifting away from mainframes and mid-range computers to more flexible, faster, and cheaper micro computers or PC's in a networking environment. One industry study estimated that there are more than 400,000 personal computers in the Kingdom.

Computer Software

Beginning in July 1994, the Saudi government started enforcing its copyright law. Since then, sales of computer software have expanded at the rate of 10 percent annually, and will be expected to keep the same pace over the next three years despite prevailing recessionary pressures.

The market is totally dependent on imports, except for some domestic and other third-party custom-made software. In 1994, the market was estimated at $300 million which is expected to increase to $330 million and $365 million in 1995 and 1996, respectively. U.S. software companies dominate the market, accounting for more than 70 percent. Their share will grow even further, especially for open architecture software packages. There is also strong demand for customized software.

Mining Industry Equipment

While petroleum is by far Saudi Arabia's most important resource, the mining industry is becoming its second most valuable source of export revenue. The Directorate General of Mineral Resources (DGMR) is actively seeking international investors to establish mining joint ventures, providing consulting, equity, and technical know-how for major mining projects Kingdom wide.

The DGMR has listed more than 64 mines throughout the Kingdom for private sector investment. Three of these mines are already being tendered out for private sector investment valued at about $2.3 billion. Investment in the mining sector will have a beneficial influence on the market for items such as machinery, engineering services, materials handling equipment, power generation, and safety and security equipment. Benefits to foreign investors include tax exemption for five years and a 30 year extraction concession. No statistical data is available since

any mining project will be implemented on a turnkey basis, including consulting, design and engineering, machinery, extraction, and shipping.

Chemical Production Equipment

The private sector will be expected to take the lead in spearheading further investments in the downstream petrochemical industries. Major expansion work at the IS plants belonging to the Saudi Arabian Basic Industries Corporation (SABIC) is either complete or being implemented. At the peak of its expansion program, the petrochemical industry spent about $1.3 billion in 1994 on related equipment, machinery, and instruments. That figure was expected to drop by almost four percent in 1995 and recorded zero growth in 1996. Local production accounted for an average 16 percent of the market.

Since many of these plants are awarded on a Lump-Sum-turnkey basis, many U.S. firms will be expected to provide licensing and process engineering technology. Currently, U.S. firms providing process engineering and licensing arrangements represent more than 25 percent of this market.

Operations and Maintenance Services

Harsh climate, limited technical expertise, and industrial expansion create a high demand for operations and maintenance services in the Kingdom. Every capital project brings with it a maintenance component, especially for electrical and mechanical engineering contracts. Demand for specialized operations and maintenance services is especially high in sectors dependent on high tech equipment and instruments. Saudi Arabia has a well developed oil and petrochemical industry, and preventive maintenance in those areas conform with world standards.

The current economic situation, which has slowed down capital investment in plants and equipment, has also boosted the need to preserve and maintain existing infrastructure and capital projects pending more prosperous times. By 1996, the Saudi market for operations and maintenance services should reach $4.9 billion, approximately 80 percent of which will be handled by either foreign companies and/or Saudi-foreign joint ventures. U.S. companies have the lead in this market and their share is estimated at 64 percent. U.S. participation in this sector is expected to grow by 4 percent annually over the next several years, one percentage point more than the growth for the whole sector.

Local companies, however, will be expected to gain more expertise in this sector, and their share, currently estimated at 4.5 percent, will grow at an increasing rate over the next three years. Until oil prices surge again, many projects will be delayed and/or canceled, thus escalating the need for maintenance services on existing projects.

Doing Business in Saudi Arabia

Only Saudi nationals are permitted to engage in trading activities. All industrial enterprises are open to non-Saudis, and they can also trade in the products they manufacture. Non-Saudis are not permitted to register as commercial agents.

The Saudi Arabian Monetary Agency (SAMA) is the Saudi central bank. It regulates and controls the Saudi banking sector. Financing is available to both Saudi and non-Saudi entities. Offshore banking and trust operations do not exist in Saudi Arabia and there is no legislation that permits the establishment of these operations.

The securities market is still not highly developed. Banks are the sole entities that may act as stockbrokers for publicly traded shares or for joint stock companies. Only Gulf Cooperation Council (GCC) nationals -- Saudi Arabia, Kuwait, Qatar, Bahrain, Oman, and the United Arab Emirates -- are permitted to buy and trade shares in Saudi companies.

Saudi Arabia has a number of trade barriers, mainly regulatory and bureaucratic practices, which restrict the level of trade. Among these are:

Commercial Disputes Settlement

Saudi Arabia has signed the New York Convention on the Arbitration of Commercial Disputes. This is an encouraging step, but arbitration has yet to be tested in practice. Government agencies are not allowed to agree to international arbitration without the concurrence of the Council of Ministers.

Business Visas

All visitors to Saudi Arabia must have a Saudi sponsor in order to obtain a business visa to enter Saudi Arabia. The Saudi who agrees to act as a sponsor accepts certain legal obligations including personal liability for the actions of the visitor. Therefore, a Saudi rarely assumes sponsorship unless he has a personal interest in the proposed visit. In practice, this makes it very difficult for American business people to travel to Saudi Arabia to investigate the market or to select a local representative without incurring some type of obligation to his sponsor, i.e. right of first refusal on any business opportunity developed. Although the process of obtaining a visa has been streamlined, American citizens of Arab descent and women continue to have difficulties in procuring business visas, even when they have a sponsor.

Delayed Payments

This is a major concern for U.S. firms in the Kingdom. In the current recession, some Saudi government agencies have delayed payments from 6 to 15 months. Lengthy payment delays, especially from government ministries and agencies, have long been a disincentive to doing business in the Kingdom. This issue stems partly from a traditional Saudi reliance on slow

payments in order to manage cash flow, and partly from a bureaucratic reluctance to make final payments. Companies should check with the U.S. Embassy or Consulates for the current arrearage situation.

Due to accounting procedures used by the Saudi government, the Department of Income Tax will impose taxes even on payments which have not been received, arguing that the fact of non-payment is essentially immaterial in the tax liability determination process. Given the Saudi government's current fiscal position, this problem is likely to continue during 1995.

Intellectual Property Protection

The Saudi legal system protects and facilitates acquisition and disposition of all property rights, including intellectual property. The Saudi government has acceded to the Universal Copyright Convention. Implementation began on July 13, 1994.

Saudi Arabia has had a Patent Law since 1989 and the Patent Office accepts applications; so far two patents have been issued. Protection is available for product and product-by-process. Product-by-process protection is extended to pharmaceuticals. There are provisions in the Patent Law for compulsory licenses for non-working and dependent patents. The term of protection is 15 years and the patent holder may apply for a five year extension.

Although Saudi copyright law does not extend protection to works first displayed outside of Saudi Arabia unless the author is a Saudi citizen, the Government maintains that its adherence to the Universal Copyright Convention is sufficient to extend protection to foreign works. The Saudi Government has taken actions to enforce copyrights of U.S. firms and pirated material has been seized or forced off the shelves of a number of stores. Overall, however, piracy remains a problem.

Trademarks are protected under the Trademark Law. Although trade secrets are not specifically protected under Saudi law, they are often protected by contract. There is no specific protection for semiconductor chip layout design; it would be protected under the Patent Law and the Copyright Law.

Arab League Boycott

The GCC announced in the Fall of 1994 that its members would no longer enforce the Secondary and Tertiary aspects of the Arab League Boycott. The Primary Boycott against Israeli companies and products still applies.

Advice on boycott and antiboycott related matters is available from the U.S. Embassy or from the Office of Antiboycott Compliance, U.S. Department of Commerce, Washington, D.C. at tel. (202) 482-2381.

Protective Tariffs and Non-Tariff Trade Barriers

Saudi tariff protection is generally moderate, but has increased over the years. A number of Saudi "infant industries" now enjoy 20 percent tariff protection as opposed to the general rate of 12 percent. Saudi non-tariff barriers also are increasing.

Such barriers include:

- Preferences for national and GCC products in government procurement;

- 30 percent of contract value "set-aside" for local contractors on major government projects;

- A requirement that foreign contractors obtain their imported goods and services exclusively through Saudi agents;

- A reservation of services such as insurance and air transport for government-owned companies; and

- An economic offset requirement mandating reinvestment of a portion of contract value in indigenous industries for certain high value government contracts, particularly in defense.

All merchandise moving through Saudi customs ports is appraised by the Department of Customs of the Ministry of Finance. Import valuation is primarily used for collection of import duties and often does not reflect the actual transaction value. Saudi customs valuation procedures are not GATT-consistent, nor are they based on invoice value. For statistical purposes, the valuation of imported merchandise is the CIF value. The value of exported merchandise is based on free-on-board valuation (FOB). The Saudi tariff nomenclature is consistent with the Harmonized System.

The following documents are required for importing goods into Saudi Arabia:

- A notarized certificate of origin authenticated at a Saudi diplomatic mission and local chamber of commerce or U.S.- Arab Chamber;

- A similarly authenticated invoice (in triplicate) which must state the country of origin, name of the carrier, brand and number of goods, and description of the goods including weight and value;

- A clean bill of lading;

- Documents indicating compliance with health regulations (if applicable);

- Insurance documents if shipments are sent C.I.F. The original documents must be accompanied by an Arabic translation;

- A Saudi Arabian Standards Organization certificate (if applicable); and

- A Radiation Certificate (if applicable).

The Saudi Arabian Standards Organization (SASO) is actively pursuing the promulgation of over 1000 Kingdom draft standards including the GCC countries. The development of product standards inconsistent with those in the U.S. has been a significant barrier to U.S. exports to the Kingdom, blocking sales of an estimated $100 million to $500 million in previous years.

A Standards Program Director has been assigned to SASO from the U.S. Department of Commerce's National Institute of Standards and Technology (NIST) to advise the Saudi government in developing standards and work to insure that new standards are not inconsistent with those in the U.S. New draft standards are forwarded to U.S. industry associations for comment and recommendations before finalization by SASO. Other developed nations have similar programs. The U.S. Standards advisor can be reached by fax at (966 1) 488-3237.

In November 1995, the SASO, in cooperation with the Ministry of Commerce, issued new guidelines to control the quality of certain products imported into Saudi Arabia. The new program, the International Conformity Certification Program (ICCP), will apply to 76 regulated products as a first phase. The new ICCP program requires certificates to be issued by one of SASO's 13 appointed laboratories in the U.S. for compliance to either SASO or internationally recognized standards. In either case, the issuance of certificates must be obtained through Inchcape Testing Services at:

SASO Program Manager
Inchcape Testing Services
3741 Red Bluff Road
Pasadena, TX 77503
Telephone: (713) 475-2082
Fax: (713) 475-2083
This program is under constant revision and complete details and costs have not been finalized.

U.S. Government Points of Contact

The following is a list of contacts for U.S. firms interested in the Saudi Arabian market.

U.S. Embassy

U.S Commercial Service
Unit 61307
APO AE 09803-1307
Tel: (966 1) 488-3800
Fax: (966 1) 488-3237
Contacts: Counselor for Commercial Affairs: John Steuber
Deputy Senior Commercial Officer: Michael Bender
Assistant Commercial Attaches: Erik Hunt and Benjamin Watson
Standards Advisor: Edward Wunder

Agricultural Trade Office
Tel: (966 1) 488-3800
Fax: (966 1) 482-4364
Contact: John Wilson, Agricultural Trade Officer

Economic Section
Tel: (966 1) 488-3800
Fax: (966 1) 488-3278
Contact: Frank Parker, Counselor for Economic Affairs

Defense Attache Office
Tel: (966 1) 488-3800
Fax: (966 1) 488-7809
Contact: Col. Gary Nelson, Defense Attache

Political/Military Office
Tel: (966 1) 488-3800
Fax: (966 1) 488-7360
Contact: Thomas Callow, Political/Military Counselor

U.S. Consulate General

U.S. Commercial Service - Dhahran
Unit 66803
APO AE 09858-6803
Tel: (966 3) 891-3200
Fax: (966 3) 891-8332
Contact: The Commercial Section

U.S. Commercial Service - Jeddah
Unit 62112
APO AE 09811-2112
Tel: (966 2) 667-0040
Fax: (966 2) 665-8106
Contact: Joseph Kaessaeffer, Principal Commercial Officer