

# GOVERNMENT TO INVEST 1.6 BILLION IN MICE TOURISM IN SAUDI ARABIA



in the kingdom.

According to the Saudi Commission for Tourism & National Heritage, the number of exhibitions and conferences in Saudi Arabia during 2016 is expected to increase by about 20%. However, local event organizers point out several challenges of MICE tourism

The executive director of the conference and exhibitions national program, Tarek Al-Essa, named several reasons for the positive forecast of the government:

“There are several factors that strengthen the possibility of development of MICE tourism in Saudi Arabia such as the plan of the government to diversify the economic base, invest more in the sector, and further develop the national program of conferences and exhibitions. The aim is to stimulate the MICE sector in the kingdom... **The vision of the government is that Saudi Arabia will become the main destination for conferences and exhibitions in the Middle East by 2020.**”

The government’s investment in the MICE tourism industry for the coming years until 2019 amounts to USD1.6 billion. Several centers and venues will benefit from the financial boost. One of them is the new King Salman International Conference Center in Medina which is planned to open before the end of this year. Another venue is the center for conferences and exhibitions in the International Airport of the King Khalid in Riyadh which should open by 2020.

The national program of conferences and exhibitions issued licenses to nearly 7,900 events during 2015. According to the official statistics, there were about 4 million visitors at these events, including conferences, forums, meetings, seminars and workshops, and representing an increase of 23% compared to 2014. Over the last two years, nearly 700 companies started offering their services as event organizers. Currently, there 3100 such businesses in the kingdom.

Mohammed Al-Hussieny, the vice chairman of the Conferences & Exhibitions Sector National Committee said that there are several reasons to believe that the MICE tourism sector is set for growth: “One of the benefits is the beneficial location of Saudi Arabia and the fact that the kingdom is one of the largest regional economies. Moreover, the kingdom attracts the event organizers with its amenities including modern facilities and infrastructure. It is also characterized by its variant geographical topography ranging from deserts to beaches”.

According to Al-Hussieny, MICE tourism in Saudi Arabia could generate huge revenues which will contribute to the GDP and become the key driver of the national economy.

**However, local event organizers complain about many obstacles they face when they want to improve their services and be more profitable.** One of the organizers, Badr Al-Neef, emphasized that the conference sector is likely to suffer this year thanks to the political and security situation in the Middle East, the severe drop in oil prices, as well as the breakdown of the purchase power of the residents.

Gabla Salman, exhibitions organizer, mentioned another obstacle preventing the MICE tourism in Saudi Arabia from faster development: “One of the major challenges that we, as international conference organizers, face is the difficulty of getting visas for exhibitors and visitors from

abroad”.

The board member of the Arab Federation Experts of Tourism, Khalid Al-Rasheed, also said that the Saudi market suffers from insufficient skills of some companies that organize the conferences and exhibitions and he highlighted the importance of facilitating the possibility of foreign event organizers to enter the kingdom.

Date: 2016-03-14

Article link:

<https://www.tourism-review.com/mice-tourism-in-saudi-arabia-to-get-government-investments-news4927>