

GLOBAL INVESTMENT IN SAUDI TOURISM



How private investment is powering one of the fastest and largest tourism investment expansions in the world

Special Report

June 2026

PROSPER
in Saudi Tourism

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Executive Summary

As one of the fastest-growing markets in the world, the Kingdom of Saudi Arabia has become a global success story of tourism transformation. In a few short years, the country became the number one destination in growth of international receipts, capturing the attention of investors across the globe.

Today, over **50** premier global hotel brands, including ultra-luxury names, not only operate in the Kingdom's thriving hospitality market, but are also actively expanding their presence, capitalizing on Saudi tourism's innate advantages, relentless growth, and strong government support. This influx of global capital, coupled with a growing number of local-international conglomerates, resulted in the single largest tourism development pipeline in the Middle East and one of the largest globally in terms of growth momentum and luxury room supply.

Now at USD **120+** billion in investments and an expected **200,000+** new keys by 2030, the journey of this record, private-led hospitality expansion continues, backed by a host of incentive programs, investment enablers, and direct financing solutions available for global and local investors.

This global confidence in Saudi Arabia's tourism market is built on proven resilience. The Kingdom's tourism sector demonstrated strong adaptability to regional volatility in **Q1 2026**. Tourism demand persisted despite adverse regional conditions, as rising domestic tourism compensated for travel disruptions that temporarily restricted inbound tourism.

This proven resilience underlines the long-term growth potential of Saudi tourism, driven by diversified demand engines, inherent strengths, purpose-built destinations, and an integrated ecosystem optimized to enable investments to grow and expand in the Kingdom.



The World is Investing in Saudi Tourism

Uninterrupted Growth Unlocking Endless Opportunities

In less than a decade a new global tourism powerhouse has emerged, the Kingdom of Saudi Arabia. Record growth in visitor numbers and spend, unprecedented rise in tourism investment, and game-changing reforms transformed Saudi Arabia into the Middle East's most dynamic tourism market.

Driven by Saudi Vision 2030's ambitious targets, the tourism sector is experiencing a historic boom. According to the Ministry of Tourism's 2025 data, the total number of inbound and domestic tourists reached an estimated **122.6 million**, representing a **6%** increase compared to 2024 and an **88%** increase compared to 2019. This total includes **29.3 million** inbound tourists and **93.3 million** domestic tourists.

Total inbound and domestic tourism spending reached an estimated **303.7 billion ﷲ** in 2025, marking a **7%** increase compared to 2024 and an **85%** increase compared to 2019. Of this total, **176.6 billion ﷲ** was generated by inbound tourism, while **127.1 billion ﷲ** came from domestic tourism.



One of the Fastest-Growing
Destinations Worldwide

Q1 2025 **vs** Q1 2019

1st
Globally

in growth of international
tourism receipts among the top
20 best-performing destinations

3rd
Globally

in growth of international tourist
arrivals among the top 20
best-performing destinations

102%
Increase

in international tourist arrivals, topping
global and Middle East averages

Source:

UN Tourism, World Tourism
Barometer, Volume 23, Issue
2, May 2025

The Largest Hospitality Expansion in the World

Encouraged by this growing demand and setting the groundwork for further increase, global operators, international investors, and top-tier developers have been racing to invest and grow in the Kingdom's thriving tourism sector, creating one of the fastest and largest tourism expansions globally.

Since 2020, over **50** of the biggest global brands have been actively operating and expanding across Saudi Arabia, drawn by record tourism demand, transformative mega-projects, and growth-enabling reforms.

With leading global names fueling supply, the Kingdom now boasts one of the richest mixes of hospitality brands across luxury, lifestyle, wellness and experiential segments.

The World's Largest Pipeline of Luxury Hotels

This investment wave is reshaping the Kingdom's travel and tourism landscape, from the Red Sea's pristine coastlines to Riyadh's evolving urban core and Al-Ula's ancient heritage sites.

What distinguishes Saudi Arabia's trajectory is not merely the scale of capital deployed, but the accelerating momentum: international hotel brands are choosing the Kingdom as their regional priority, private sector participation is expanding rapidly, and the investment ecosystem continues to mature with enhanced regulatory frameworks and innovative financing mechanisms.

With over **200,000** keys on the way, Saudi Arabia has become the single largest tourism development pipeline in the Middle East and one of the largest globally in terms of growth momentum and luxury room supply.

Global Hospitality Brands in Saudi Arabia

50+

premier global hotel brands active since 2020

40+

new large and institutional investors committed

Source:

Lodging Econometrics, STR, Hotelier Middle East, Hospitality Net

One of the largest hospitality expansions in the world

\$120+

Billion

in investments

200,000

new keys by 2030

Source:

Lodging Econometrics, STR, Hotelier Middle East, Hospitality Net

Private Investment at the Forefront

The powerful combination of public vision and private sector confidence is reshaping Saudi Arabia's tourism landscape, but it is the private sector that is leading the charge.

Roughly **50%** of all incoming keys in the Kingdom are being delivered through private investment. This surge of private capital is generating substantial economic impact beyond hospitality, catalyzing growth across food and beverage, entertainment, culture, and related industries, while driving sustainable development throughout the Kingdom.

Private Sector-Led Market Expansion

~50%

of new keys

8 Regions

hosting leading private-sector investments





A Magnet for Tourism Investment

Saudi Arabia's rise as a top investment destination is driven by major global trends reshaping the tourism industry. While international travel has fully recovered from the pandemic, the global tourism landscape now faces new challenges, particularly overcrowding in traditional markets that is overwhelming infrastructure, reducing visitor satisfaction, and pushing both travelers and investors to look for new opportunities.

From Venice to Barcelona, popular destinations are introducing visitor limits and restrictions, showing these markets have reached capacity. This shift has sparked a major movement of global investment toward growing markets that offer fresh potential and room for large-scale development; and Saudi Arabia is at the heart of this change.

The Kingdom is uniquely positioned to capture the evolving preferences of modern travelers and the capital that follows them. Investors recognize that Saudi Arabia offers what saturated markets cannot: vast scale for greenfield development, authentic and differentiated cultural experiences, diverse natural assets, and crucially, the regulatory support and government commitment to build world-class tourism infrastructure from the ground up.

Key Differentiators Drawing the Largest Global Investors

Accessibility

In 2019, Saudi Arabia launched a leading E-visa program offering fast access to:

- Nationals of 66 countries
- Holders of US, UK and Schengen visas
- GCC residents



The Kingdom has also undertaken major steps to increase air connectivity and open new routes to its diverse destinations.

Landmark Air Connectivity Projects

King Salman International Airport



A transformative project redefining connectivity



120 Million

Passengers annually
57 km² | By 2030

Investability

Through the Saudi Ministry of Tourism, the Kingdom offers investors a host of unrivalled incentives and enablement programs tailored to streamline the investor’s journey.

In addition to its flagship incentive program TIEP and other tax breaks packages, Saudi Arabia announced the cancellation of municipality licensing fees for all types of accommodation facilities in a bid to increase competitiveness and reduce the cost of doing business.

Diversity

The rising global demand for experiential, sustainable, and cultural tourism aligns perfectly with the Kingdom’s competitive strengths. This market timing, combined with Vision 2030’s clear policy direction, creates an environment where private sector investment can achieve both attractive returns and transformative impact.

Geographically and culturally, Saudi Arabia offers unique advantages that strengthen its investment appeal. At the heart of Arabia, the Kingdom features diverse landscapes spanning pristine Red Sea coastlines, the dramatic mountains of Aseer, vast desert areas, and rapidly modernizing cities—supporting year-round tourism across different segments and visitor types.

8 UNESCO World Heritage Sites in Saudi Arabia							
Al Ahsa Oasis 2018	At-Turaif District 2010	Hegra Archaeological Site 2008	Hima Cultural Area 2021	Historic Jeddah 2014	Rock Art in Hail 2015	Al-Faw Archaeological Area 2024	‘Uruq Bani Ma’arid 2023

Source: UNESCO

Beyond heritage and ecological assets, the Kingdom is pioneering new tourism sectors that are redefining its global appeal and creating diverse revenue streams for investors. Sports, entertainment, and MICE are rapidly emerging as cornerstone pillars of Saudi Arabia’s tourism economy, backed by a robust calendar of global mega-events that guarantee sustained international attention and visitor flows.

Tourism Investment Enablement Program (TIEP)

Beneficiaries

- International Investors
- Local Investors

Objectives

- Promote ease of doing business
- Reduce cost of doing business
- Stimulate up to **\$11 Billion** in private investments

Incentives

- **Corporate Income-Tax Credits of up to 20%** of qualifying capital expenditures for up to seven years
- **Municipality Tax Grace Periods of up to five years**, easing early operational costs
- **Land-Lease Support providing up to 100 %** lease reduction for 20 years on government-leased land
- **VAT Room-Night Sales Reduction of up to 100 %** for five years to improve price competitiveness

Leisure was the fastest-growing travel purpose for inbound tourists in 2024
20% growth vs 2023

Business purposes accounted for over **2 Million inbound visitors** and over **USD 4.2 Billion** in inbound tourism spending in 2024

Source: Ministry of Tourism's Annual Statistical Report 2024

With landmark events including Expo 2030 in Riyadh and the FIFA World Cup 2034, alongside annual fixtures such as the Formula 1 Saudi Arabian Grand Prix and other world-championship sporting competitions, the Kingdom is positioning itself as a year-round destination for business and leisure travelers alike.

This convergence of location, heritage, natural diversity, event-driven momentum, and committed government enablement creates a rare investment proposition: a high-growth market with the scale, authenticity, accessibility, and policy support to become a truly global tourism destination for decades to come.

One of the Fastest Expansions of Global Hotel Brands in the World

Saudi Arabia stands as the only market globally experiencing a wave of over 50 global hotel brands stepping up operations and expanding in the Kingdom's hospitality market. This record rush is unmatched in scale and pace across any region.

The Kingdom now hosts one of the world's richest concentrations of global hospitality brands, spanning luxury, lifestyle, wellness, and experiential segments. Many of them are top luxury and boutique names renowned for their selective market entry strategies and measured expansion pace.



What makes this expansion notable is not just the number of brands entering the market, but their quality and variety that reflects strong global and local investor confidence in Saudi Arabia's long-term growth and its rise as the Middle East's leading destination for high-end travelers and hospitality investment.

The Saudi tourism market welcomed over 40 new large and institutional investors, including global institutional investors, regional developers, Saudi conglomerates, boutique and lifestyle investors.

Tourism-Focused Developers	International and Regional Tourism Investors	Major Saudi Conglomerates
• ASFAR • Baheej Tourism Development Company • Dan Company • Jabal Omar Development Company • Taiba Investments • Rafal Real Estate Development • Elaf Group	• BTL Hospitality (China) • Accor Invest • FTG Development • Mabanee • Aina Hospitality • Dogus	• Al Othaim Investment • Ajlan & Bros • Sumou Holding • Al Fozan Group • Al Nahla • AREIC • Alkathiri Holding • Almousa Hospitality • Olayan Group • Ban Holding • Dallah Al-Baraka Holding • Ajdan Real Estate Development • Masharee • SEDCO

* Non-exhaustive list

Investment Distribution

Saudi Arabia's investment boom is reaching every corner of the Kingdom, not just Riyadh. Investors are developing transformative projects from the Red Sea's pristine islands and Al-Ula's heritage sites to Jeddah's urban waterfront and the mountainous retreats of Aseer.



Across 10 regions, the private sector leads tourism investment and acts as the main driver of change, reflecting confidence that every region offers distinct investment opportunities and reinforcing the Kingdom's commitment to balanced, inclusive national development.

Private sector is the main contributor of new keys by 2030 in 10 regions

Eastern Province ~70%
of new keys contributed by the private sector

Makkah ~57%
of new keys contributed by the private sector

Madinah ~56%
of new keys contributed by the private sector

Jazan

Al Bahah

Qassim

Najran

Al Jouf

Hail

Northern Borders



Why Saudi Arabia

Across **10** regions, the private sector leads tourism investment and acts as the main driver of change, reflecting confidence that every region offers distinct investment opportunities and reinforcing the Kingdom's commitment to balanced, inclusive national development.

Why are investors from across the globe racing to enter the Saudi tourism market?

Enabling Environment

Guided by Vision 2030, Saudi Arabia has built one of the world's most competitive tourism investment environments through an integrated ecosystem of growth-enabling entities led by the Ministry of Tourism.

This carefully designed ecosystem works in synergy to elevate the tourism industry in the Kingdom by streamlining regulatory frameworks, attracting investments, developing human capital, promoting Saudi destinations, and empowering the private sector through innovative financing and support programs.

Saudi Arabia's Tourism Ecosystem

Within this leading ecosystem, the Saudi Tourism Authority (STA) is tasked with promoting the Kingdom's destinations and experiences to attract visitors and increase demand and spend. Meanwhile, the Tourism Development Fund (TDF), another key stakeholder in the tourism ecosystem, offers a wide range of innovative



enablement programs designed to empower global and local investors through financial and non-financial solutions.

Additionally, the Ministry of Tourism works closely with relevant government partners, including the Ministry of Investment, to support global and local investors throughout their investment journeys and provide them with the right tools, incentives and knowledge to invest and thrive in Saudi Arabia.

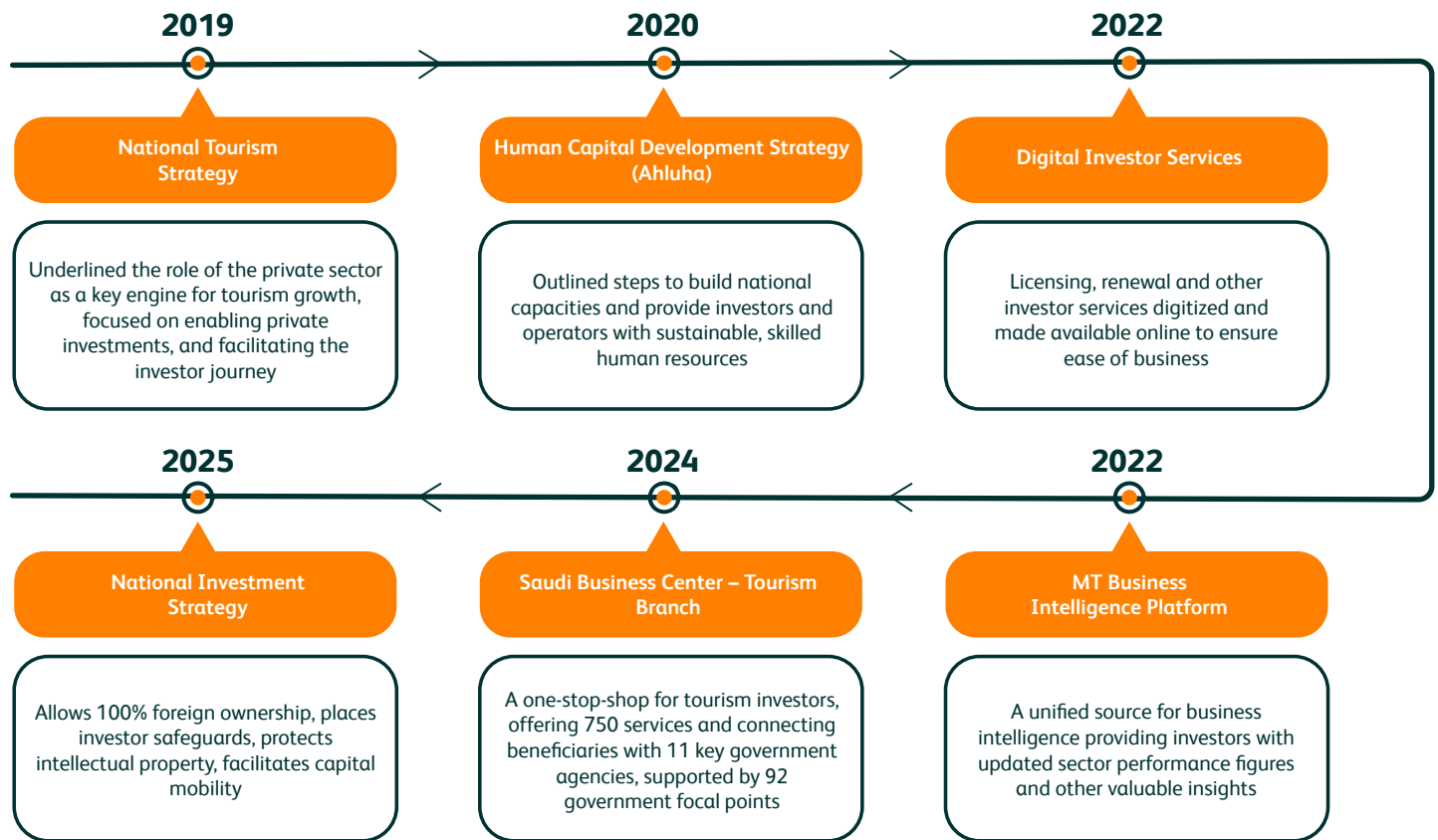
From the Ministry of Tourism's TIEP to TDF's financing programs and STA's partnership opportunities, the world's biggest tourism investors and top players are leveraging this integrated environment to seize growth opportunities and scale up in one of the fastest-growing large destinations in the world.

Policy and Regulatory Reforms

Since 2019, the Ministry of Tourism has implemented major regulatory reforms to restructure and open Saudi Arabia's tourism market to scaled global and local investors. From developing the National Tourism Strategy to supporting the promulgation of the new Tourism Law in 2022, the Ministry continues to develop innovative regulatory frameworks, programs and initiatives all aimed to streamline the investor's end-to-end journey.

Milestone Laws, Regulations and Programs

Investment Enabling Mechanisms



As part of this regulatory overhaul, streamlined licensing procedures and standards were put in place, and a wide range of digital services were made available to investors to remove bureaucratic delays. Additionally, several investment sandbox programs were launched to allow innovative concepts to be tested with regulatory flexibility.

Strategic fee reductions and suspensions, lower entry barriers, and new hotel classification standards aligned with international benchmarks provide market-wide consistency. Supporting these reforms is exceptional transparency through the Ministry's business intelligence platform, which provides real-time market data and investment insights.

Together, these measures create a transparent, efficient environment where investors can deploy capital with confidence and bring projects to life at exceptional speed.

Institutional Support

Saudi Arabia's tourism transformation is powered by a coordinated network of institutional partners working together to reduce risk and speed up project delivery.

The Ministry of Tourism ensures clear regulations and provides direct investor support throughout every development stage. The Tourism Development Fund (TDF) creates opportunities through strategic financing, co-investment partnerships, and guarantees that strengthen project viability.

In line with Vision 2030, the Kingdom adopts a whole-of-government support model to empower investments with one of the most ambitious and coordinated government support ecosystems in the world.

For example, the Ministry of Investment (MISA) opens doors for foreign investors with detailed market intelligence and efficient licensing, while the Public Investment Fund (PIF) leads major mega-projects, building the core infrastructure that gives private investors the confidence to participate.

This integrated institutional framework offers investors more than just market access; it provides a synergistic enabling environment where they can secure funding opportunities, leverage expertise, and benefit from genuine government partnerships that transform bold ideas into successful ventures.

Competitive Advantages

For global investors, the Kingdom offers a host of inherent advantages that set it apart from other markets. Updated legal frameworks now allow foreign investors to own **100%** of their tourism businesses without local partnership requirements, ensuring complete operational control.

In terms of demand sustainability, Saudi Arabia's growing domestic market of more than 35 Million residents with increasing spending power provides strong demand alongside international visitors.



This robust domestic market helps mitigate risks associated with international volatility, travel disruptions, and geopolitical uncertainty.

The Kingdom's diverse destinations—from the Red Sea's sandy beaches and Aseer's towering mountains to the lively metropolitan scenes of Riyadh and Jeddah—present a variety of options to invest in any tourism vertical, be it coastal, rural, urban or other.



Complementing these enablers is modern infrastructure, world-class airports, and advanced digital networks designed to support smooth operations at international standards.

These key strengths, combined with Saudi Arabia's strategic geographic location, create lasting competitive advantages that go beyond temporary incentives or policy measures, positioning the Kingdom for sustained long-term growth.

Skilled Workforce

By undertaking one of the largest nationwide human capital development programs (Ahluha), Saudi Arabia is building an elite human capital trained, empowered and ready to support world-class investments.

Implemented by the Ministry of Tourism, Ahluha has provided over **700,000** training opportunities to Saudi nationals since 2020, in partnership with leading global institutions. These include free on-the-job and online learning programs both in Saudi Arabia and abroad, ranging from executive development to vocational and operational training.

Ahluha

International Training Partners and Contributors

Specialized Tourism Education Institutions	Global Hospitality and Hotel Brands
Les Roches	Hilton
École Hôtelière de Lausanne	Marriott International
Glion Institute	Accor
École Ducasse	IHG
Dale Carnegie	Fraser Suites
Luxury Hotelschool Paris	Boudl
Ferrières Hospitality & Luxury Management School	Four Seasons
Nuova Accademia di Belle Arti	
Swiss Hotel Management School	
HTMi Hotel and Tourism Management Institute Switzerland	
Business and Hotel Management School – BHMS	
Culinary Arts Academy Switzerland	
HIM Montreux – Education in Hospitality	
SHL Schweizerische Hotel fachschule Luzern	
CETT Barcelona School of Tourism, Hospitality and Gastronomy	
ESEI International Business School	
Sant Pol School of Hospitality and Culinary Management in Barcelona	
International College of Tourism and Management - ITM GmbH	
	Universities and Tourism Schools
	University Of Surrey
	University of East Anglia
	City of Glasgow College
	University of Essex
	University of Hull

In addition to the Ministry's programs, the Kingdom is home to many higher education institutions that offer internationally recognized tourism education programs. 13 of these institutions have acquired the prestigious tourism education quality accreditation by UN Tourism (TedQual).

TedQual-Certified Programs in Saudi Arabia

Jizan & Baha	Higher Institute for Tourism & Hospitality Hotel Management Diploma
Jeddah	Bunyan Academy - Diploma in Gastronomy and Restaurant Business - Diploma in Luxury Hotel Operations
Dammam	Imam Abdulrahman Bin Faisal University BA in Tourism and Heritage Management Diploma
Jeddah	King Abdulaziz University - Bachelor of Travel and Tourism Management - Bachelor of Hospitality Management - Bachelor of Event Management - Diploma in Culinary Arts
Abha	King Khalid University Master in Tourism Media
Riyadh	King Saud University Bachelor's Degree in Tourism and Hotel Management
Al-Kharj	Prince Sattam Bin Abdulaziz University Diploma in Tourism and Entertainment Projects Management
Riyadh	Princess Noura bint Abdul Rahman University – Applied College - Diploma in Culinary Arts - Diploma in Hospitality Management - Diploma in Travel and Tourism Management
Riyadh	Princess Noura bint Abdul Rahman University – College of Humanities & Social Sciences Bachelor in Tourism Guidance
Al-Khobar	Saudi Culinary Arts Academy Diploma of Culinary Arts
Riyadh	Technical and Vocational Training Corporation - TVTC
Abha	- Females' Technical College in Abha - Events Management, Diploma
Hail	- Females' Technical College in Hail - Events Management, Diploma
Taif	- Females' Technical College in Taif - Events Management, Diploma

Makkah	Females' Technical College in Makkah - Hajj and Umrah Services, Diploma
Tabuk	Females' Technical College in Tabuk - Tour Guidance, Diploma
Madinah	Technical College for Tourism and Hotels in Al-Madinah - Food Production (Cooking), Diploma
Madinah	Technical College for Tourism and Hotels in Al-Madinah - Events Management, Diploma
Makkah	Umm Al Qura University - Bachelor in Tourism and Hospitality - Bachelor in Hotel Management - Bachelor in Tourism and Events Management - Master in Tourism and Hotel Management
Hail	University of Hail Bachelor in Tourism and Events Management

Source: UN Tourism TedQual Certified Programmes

Together, these training engines provide investors with an abundant supply of skilled human resources trained to the highest international standards in travel, tourism, hospitality, culinary services, and more.



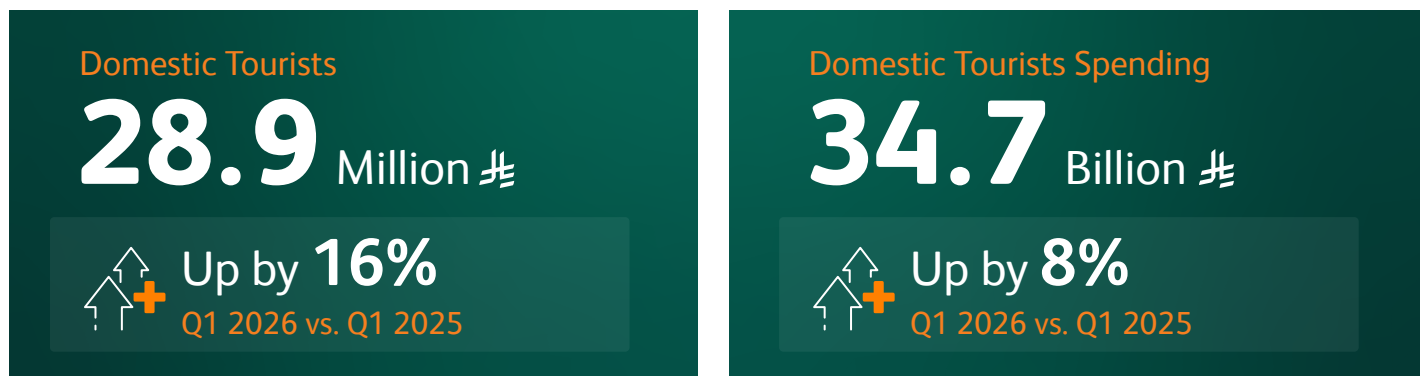
Proven Resilience Driven by Domestic Demand

Saudi Arabia's tourism market is built on diversified demand engines, with domestic tourism playing a central and stabilizing role. A large population base, increasing leisure mobility, and a growing culture of year-round travel across the Kingdom's regions provide a strong internal demand foundation.

This diversification gives the Kingdom a degree of structural immunity against external shocks, whether geopolitical, logistical, or related to global travel access. Unlike tourism markets that rely heavily on inbound tourism, Saudi Arabia benefits from a self-sustaining demand layer that supports continuity and resilience.

This resilience was clearly demonstrated in Q1 2026, a period marked by significant regional travel disruptions and heightened logistics volatility. Despite constraints impacting inbound travel, overall tourism activity in the Kingdom adapted effectively. Domestic tourism stepped up decisively, compensating for the temporary softness in international arrivals.

Domestic Tourism in Q1 2026



For investors, this represents a powerful reassurance: regardless of external volatility, Saudi Arabia consistently delivers demand, anchored by a large and resilient domestic tourism market.



The Time to Invest is Now

Saudi Arabia's tourism transformation represents one of the most significant investment opportunities of this generation. What began as an ambitious vision has quickly become reality: the Kingdom now hosts one of the world's largest hotel development pipelines, attracts Billions in tourism investment, and welcomes an extraordinary wave of global brands choosing Saudi Arabia as their regional priority. This is not uncertain growth; it is planned and proven momentum led by private investments and backed by innate advantages and strong government commitment.

The fundamentals are exceptional: geographic diversity with seamless accessibility, proximity to **60%** of the world's population, a robust calendar of global mega-events including Expo 2030 and FIFA World Cup 2034, and endless opportunities in new tourism sectors from sports to MICE.

The institutional support is unmatched: streamlined licensing, accessible financing and incentive programs, full regulatory clarity, and transformative giga-projects that unlock endless opportunities.

Most importantly, market confidence is evident with over **50** leading global brands in hospitality and tourism are already in play and expanding in the Kingdom's thriving market. Private sector capital is flowing not just to Riyadh, but across every region of the Kingdom.

For investors seeking high-growth markets with scale, government partnership, and long-term potential, Saudi Arabia offers a perfect match of opportunity and execution capability. Partner with the Kingdom in building the future of global tourism.

Connect with the Ministry of Tourism for comprehensive investment guidance, financing pathways, and direct access to decision-makers

The Ministry of Tourism leads the development of the tourism sector in Saudi Arabia, in line with Saudi Vision 2030. Its mission is to promote growth across the Kingdom's thriving tourism industry, supporting the diversification of the national economy and positioning the Kingdom as a global tourism destination. The Ministry unlocks the sector's potential by crafting innovative policies and regulations, fostering an attractive investment environment, empowering the private sector, and training homegrown talents to innovate, lead, and reimagine Saudi tourism.

وزارة السياحة Ministry of Tourism



Disclaimer

The Ministry of Tourism strives to provide investors with quality data and information. However, the data herein is based on third-party disclosures and public announcements, as well as continuously changing estimates and representations.

The data in this report was prepared in May 2025 and is subject to change depending on updates to the status of investments, projects and developments, as well as changing market conditions.

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