

# Client Alert

Global Islamic Finance &amp; Investment Practice Group

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## Saudi Arabia unveils new US\$50 billion water desalination programme

### *The Kingdom to offer privatisations as well as new water desalination project contracts*

The Ministry of Environment, Water and Agriculture of Saudi Arabia has announced a new water desalination programme involving private sector participation worth over an estimated US\$50 billion.

The programme will be split between the privatisation of brownfield schemes and the development of greenfield projects. The brownfield projects will involve selling the entirety of the existing desalination portfolio of the Saline Water Conversion Corporation (SWCC), amounting to 29 plants. The greenfield projects will involve constructing eight new plants on a public private partnership (PPP) basis.

The programme comprises:

BROWNFIELD PROJECTS	GREENFIELD PROJECTS
29 Desalination Plants	At least eight Independent Water (Power) Projects
Distributed on the East and West Coasts	Planned Installed Capacity of 2.6MM m <sup>3</sup> /day and 3000MW
Installed Capacity of 4.6MM m <sup>3</sup> /day and 7,305MW	Seven Planned Transmission Systems
21 Transmission Systems	Planned Transmission Capacity of 4.3MM m <sup>3</sup> /day

For more information, contact:

**Leroy Levy**  
+ 966 11 466 9410  
llevy@kslaw.com

**Brian Pierce**  
+ 971 2 596 7023  
bpierce@kslaw.com

**King & Spalding**  
*Riyadh*

(in affiliation with the Law Office  
of Mohammad Al-Ammar)  
Kingdom Centre  
20th Floor  
King Fahad Road  
PO Box 14702  
Riyadh 11434  
Saudi Arabia  
Tel: +966 11 466 9400  
Fax: +966 11 211 0033

**Abu Dhabi**

Level 15, Al Sila Tower  
Abu Dhabi Global Market Square  
PO Box 130522  
Abu Dhabi  
United Arab Emirates  
Tel: +971 2 652 3400  
Fax: +971 2 652 3444

[www.kslaw.com](http://www.kslaw.com)

The greenfield projects cover a wide range of capacities from the very large to more modest sizes. The greenfield projects, together with their capacities, are:

- *Rabigh 3*: 600,000 m3/Day
- *Jubail*: 1,170,000 m3/Day
- *Shuqaiq*: 380,000 m3/Day
- *Duba 4*: 9000 m3/Day
- *Al Wajh 4*: 9000 m3/Day
- *Yanbu*: 450,000 m3/Day
- *Umluj*: 18,000 m3/Day
- *Haql*: 9,000 m3/Day

The intention is to tender Rabigh 3 and Jubail in the first quarter of 2017 with the remaining plants being tendered shortly thereafter.

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