

**Projects include:**

- construction of a new administrative centre and headquarters for government-owned Kuwait Airways Corporation (KAC).
- construction and supply of a new Communications Centre, with a VHF ground to air communication system. According to the Directorate General of Civil Aviation, this will be a priority after completion of the master plan.
- purchase of long range, final approach, and secondary radar elements and support systems.
- possible re-establishment of KAC's aircraft maintenance facility. KAC may rebuild this centre. If so, this would create major opportunities for contractors, suppliers of all types of aircraft maintenance equipment, and maintenance service providers.
- purchase of avionics, spare parts for electronics, parts and engines, and limited amounts of ground equipment.

**OVERVIEW: THE AEROSPACE SECTOR**

The Saudi Land, Navy and Air Forces all possess substantial aircraft inventories. The Saudi Land Force has an aviation battalion of UH-60 Desert Hawk and Bell 406 Combat Scout helicopters. Kiowa OH58D armed reconnaissance helicopters and AH-64 Apache helicopters have recently been purchased. The Saudi Naval Force operates a number of Aerospatiale Helicopters while Royal Saudi Air Force hardware includes Boeing E-3A's (AWACS), F-15C/D's, A,B,E and F model F-5's, the RF-5, Hawks, Tornados, DC-9's and C-130's along with other aircraft including assorted jet, turbo prop and propeller aircraft. The Saudi Air Force has a total of 93 F-15C/D's. McDonnell Douglas will supply the Saudis with 72 F-15XP fighter aircraft at a cost of US \$9.5 billion.

The national airline, Saudia, has a fleet of more than 100 aircraft. The airline serves more than 70 international and domestic destinations, operating 300 flights daily from Saudi Airports. Saudia reportedly spends approximately CDN \$8 million annually on the maintenance of its fleet. Saudia is replacing its aging fleet of 737's, some of which are almost 20 years old. Any plans to expand/upgrade the Saudia fleet have, until recently, been put on hold due to funding constraints. Saudia has now announced its intention to purchase eight fifty-seat aircraft. Saudia also plans to purchase new aircraft in the 100 to 150, the 200 to 250 and the 250-plus seat classes. Saudia plans to buy some 68 new aircraft in this fleet modernization programme. Saudia generally operates its own maintenance facilities although, in certain instances, work may be contracted to foreign (including joint venture) firms. Also on the civilian side, ARAMCO operates a number of remote air strips and maintains a large number of fixed wing and rotary aircraft.

Maintenance of both civilian and military aircraft in Saudi Arabia is generally performed by the initial supplier either solely or as joint venture (JV) with a Saudi partner. In recent years there has been a growing tendency to submit new contracts to public tender.

**OPPORTUNITIES FOR CANADIAN EXPORTERS**

Canadian firms interested in the Saudi aerospace sector will find opportunities in various areas including: aircrafts sales, maintenance, air traffic control, training, flight simulators, and airport construction. This is a competitive market with a strongly entrenched American, British, and French presence. However, Canadian firms have done well in this sector in Saudi Arabia. There is excellent potential for Canada to increase its aerospace presence in the Kingdom. The Canadian Embassy is ready to assist any Canadian firm willing to invest the time and effort in pursuit of these contracts.