

**CASE STUDY**

# IOE&IT brings export skills to Saudi Arabia

**TASK: Adapting UK training qualifications for the Saudi Arabian market**

**CLIENT: Saudi Authority for Export Development**



## SUMMARY

In 2018 the IOE&IT delivered a bespoke education programme for trade advisers working for the Saudi Authority for Export Development – also known as Saudi Exports.

The IOE&IT modified its Levels 3 and 5 international trade qualifications for Saudi Exports, which was aiming to increase its trade support for non-oil sectors as part of the country's 'Saudi Vision 2030' to diversify the Kingdom's economy and exports.

The IOE&IT trained 35 students up to Level 3 and a further five to Level 5 standard, enhancing Saudi Export's capabilities and knowledge, building sustainable trade capacity.

## Challenges

### Saudi 2030

A key tenet of the ambitious 'Saudi Vision 2030' agenda, launched in April 2016, was to reduce the country's reliance on oil and diversify its economy and therefore its exports.

According to McKinsey's 'Moving Saudi Arabia's economy beyond oil' report in 2015, the oil price boom from 2003 to 2013 had fuelled prosperity in the country, as it became the world's 19th largest economy, with GDP doubling and 1.7 million jobs created.

A sustained oil price drop in the mid-2010s encouraged the crown prince Mohammed bin Salman to accelerate plans to reduce the

nation's reliance on oil, increase the country's private sector and reform the education system.

In 2018 the petroleum sector accounted for 80% of the state's revenues, 45% of GDP and 90% of exports.

### Lack of trade knowledge

Saudi Exports approached the IOE&IT to improve its staff's understanding of how to trade internationally, acknowledging a lack of know-how for trading goods or services beyond its critical oil sector.

Saudi Exports performs a similar role to the Department for International Trade, advising companies looking to export, producing export documentation and matching firms with international buyers.

### Right people for the project

Saudi Exports' research into international trade training organisations revealed that the IOE&IT was one of two such organisations that could provide the education it needed.

Saudi Exports chose the IOE&IT because of its proven track record in both the public and private spheres, strong online capabilities, ability to deliver face-to-face training and understanding of how to adapt to and sensitivity towards different cultures and communities.

When bidding for the contract, the IOE&IT was asked to demonstrate its online learning environments and how they could be adjusted for use by staff at Saudi Exports.

## Our solution

The IOE&IT was awarded the contract to provide training and education for Saudi Exports' team of advisers in January 2018.

The project was to deliver the Level 3 Certificate in International Trade to staff who were newer to export processes and the Level 5 Diploma in International Trade to senior advisers.

The courses were delivered through a mixture of online and face-to-face training, with IOE&IT experts regularly traveling to Riyadh throughout 2018.

Course materials were tailored to the needs of the Saudi advisers, which included adapting the content for the Saudi business culture, the country's major export markets and the different regulatory frameworks for trade in the region.

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### Project costs

The total value of the contract was £185,000 and the money largely covered the costs of delivering the courses, adapting and scoping the materials, travel and associated expenses.

### Challenges

#### Timescales

The IOE&IT had just three months from winning the contract to launch the training programme. The course content had to be created for an entirely new market, culture and regional trade landscape.

The IOE&IT was able to successfully respond and manage this project because of its team of professional trade experts and experienced project delivery processes.

The courses were delivered at a vastly accelerated pace. Usually completed in two years of study, they were delivered via tutor-supported online learning and regular face-to-face masterclasses.

As a result, the students successfully achieved their qualifications in just over half a year.

The IOE&IT established a bespoke Saudi student support structure, which included a highly responsive tutor engagement strategy, with tutors needing to be adaptable and available at short notice to answer student queries.

#### Low starting point

The students completing the Level 3 qualification had little prior certified or accredited trade knowledge, with their previous trade experience largely focussed on the oil and gas sectors.

#### Cultural differences

IOE&IT provided training and support for all their trainers to ensure that all training was provided in a culturally sensitive way.

This extended to understanding the wider trading community of Saudi Arabia's key partners in the Middle East, Africa and Asia.

They had to:

- Communicate in a different business environment
- Appreciate local etiquettes and languages
- Understand key export markets such as Iraq and Pakistan
- Become aware of Saudi Arabia's own position in the region

### Different business environment

Course materials were adapted to the following legal frameworks and business environments:

- Sharia concepts of law and finance
- Trade rules within the Gulf Cooperation Council (GCC)
- Trade rules within the Greater Arab Free Trade Area (GAFTA)
- Ongoing upgrades of Saudi Arabia's customs infrastructure
- Trade with less developed nations

### Results

#### Objective

The IOE&IT proposed to deliver training to 35 students at Level 3 and 10 at Level 5 within a ten-month period from 4 April 2018 to 30 November 2018.

#### Performance

Over the course of the 10-month contract:

- 35 students completed the Level 3 with 23 receiving a distinction
- Five students completed the Level 5 with four receiving a distinction

#### IOE&IT delivering for different communities and cultures

Since the Saudi Exports project, the IOE&IT has won international contracts to support trade development in Trinidad & Tobago, Ghana, Kazakhstan, Turkmenistan, Tajikistan, Kyrgyzstan, Uzbekistan and the African Continental Free Trade Agreement region.

### Testimonial

*"The IOE&IT Level 3 Certificate in International Trade provided me with great insights, enhancing my overall understanding of international trade."*

*"The concepts are clearly demonstrated and the flow of ideas is logical, covering all stages of internationalisation from a business point of view."*

*"I strongly recommend IOE&IT training programmes for international business professionals and I am proud to be one of its alumni graduates."*

**Abdulrahman S. Alotaibi, Saudi Trade Advisor**



A better world through trade education: IOE&IT director of stakeholder management Kevin Shakespeare with students on the Saudi Exports training programme