

Required Report: Required - Public Distribution

Date: July 03, 2026

Report Number: SA2026-0009

Report Name: Exporter Guide Annual

Country: Saudi Arabia

Post: Riyadh

Report Category: Exporter Guide

Prepared By: Hussein Mousa

Approved By: Chris Frederick

Report Highlights:

Saudi Arabia is the largest market in the Middle East and offers strong opportunities for U.S. agricultural and consumer-oriented food exports. Despite ongoing market access challenges, including facility registration and halal-related requirements, U.S. products remain well-positioned to meet the Kingdom's growing food demand and changing consumer preferences. In March 2026, Saudi Arabia eliminated the USDA Export Verification (EV) requirement for U.S. beef, relying instead on the Saudi Food and Drug Authority (SFDA)-approved U.S. halal certification bodies, thereby simplifying export procedures for U.S. beef suppliers. The Saudi Arabia Exporter Guide provides practical tips for U.S. exporters on how to conduct business in the Kingdom.

Executive Summary:

Saudi Arabia is one of the wealthiest countries in the world. In 2025, the 'country's GDP exceeded \$1.30 trillion, positioning the country as the 15th largest economy in the world and the most influential economy in the Middle East. Saudi Arabia is currently the largest exporter of petroleum in the world and depends on imports to meet 80 percent of its food demands.

Consumer-Oriented Agricultural Imports:

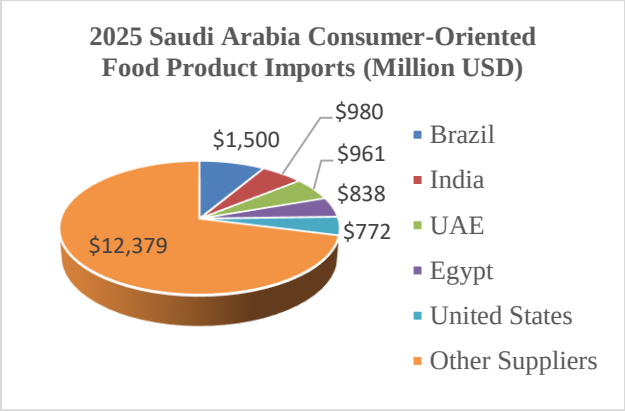


Chart 1: Top Exporting Countries to Saudi Arabia

Food Retail Industry:

Saudi 'Arabia's food retail sales reached approximately \$59 billion in 2025 and are expected to grow approximately 4 percent in 2026. The significant growth in the domestic retail food sector has been a major incentive for continued expansion of major retailers in the county such as: LuLu, Tamimi, Panda, Danube and Othaim. Together, the five chains represent more than 80 percent of retail revenues.

Food Processing Industry:

Saudi 'Arabia's food industry is comprised of 1,300 registered companies; approximately 80 percent of them are large companies with more than 100 employees. Food processing sales are a major focus in the domestic market and account for more than 75 percent of overall revenue. Total investment in this sector is estimated at \$60 billion.

Food Service Industry:

Saudi 'Arabia's food service sales reached \$30 billion in 2025 and are expected to grow approximately 8 percent annually over the next few years driven by demand from labor camps, tourists, and religious visitors.

Quick Facts CY 2025

Imports of Consumer-Oriented Products (US \$17.4 billion-as of 2025)

List of Top 10 Growth Products in Saudi Arabia

- | | |
|-----------------------------|-------------------------------|
| 1) Processed Meat & Seafood | 2) Baby Food |
| 3) Baked Goods | 4) Ice Cream & Frozen Treats |
| 5) Breakfast Cereals | 6) Processed Fruits & Veggies |
| 7) Ready Meals | 8) Savory Snacks |
| 9) Fruit Pie Fillings | 10) Beverages/mocktails |

Food Industry by Channels (in 000 million USD)

Retail Food Industry	\$58
Food Service-HRI	\$29
Food Processing	\$60
Food & Agricultural Exports	\$1.4

Top 10 Saudi Retailers

- | | |
|---------------|---------------------------|
| 1) Panda | 2) Othaim |
| 3) Tamimi | 4) LuLu |
| 5) Danube | 6) Farms |
| 7) Bin Dawood | 8) Carrefour Saudi Arabia |
| 9) Manel | 10) Nesto |

GDP/Population

Population (millions): 35.30
GDP (trillion USD): 1.30
GDP per capita (USD): 35,000
Real GDP growth: ~3.5–4.0%

Sources: World Trade Atlas

Strengths/Weaknesses/Opportunities/Threats

Strengths	Weaknesses
-Well-established market with modern distribution channels. - Dependent on food imports and U.S. food is considered high-quality	- Freight costs from the United States are higher than competitors
Opportunities	Threats
-Retail, food service and food processing sectors are growing	-High level of competition from export-focused competitors

SECTION I. MARKET SUMMARY

Business Environment

Saudi Arabia continues to implement its ambitious Vision 2030 economic diversification strategy, reducing dependence on oil revenues through investments in tourism, entertainment, manufacturing, logistics, renewable energy, and technology. The Kingdom is investing in infrastructure developments, including the Red Sea Global tourism projects, Diriyah Gate, Qiddiya, and numerous residential and industrial developments designed to transform the country's economic landscape. Saudi Arabia remains one of the world's leading oil producers and exporters. However, non-oil economic activities now account for an increasing share of GDP growth. Government reforms have encouraged private sector investment, expanded tourism, increased female workforce participation, and improved the business environment. The Kingdom continues to invest heavily in transportation infrastructure, logistics hubs, hospitality facilities, and food security initiatives. Saudi Arabia's GDP exceeded \$1.3 trillion in 2025, making it the largest economy in the Middle East and North Africa (MENA) region. The population is estimated at approximately 35.30 million, including more than 13 million expatriates. Rising disposable incomes, a growing middle class, and strong consumer spending continue to support demand for imported food and agricultural products. Female labor force participation has more than doubled over the past decade and continues to influence food purchasing habits, increasing demand for convenience foods, ready-to-eat meals, and food delivery services.

The Kingdom welcomed more than 100 million domestic and international tourists in 2024, surpassing Vision 2030 tourism targets ahead of schedule. Growth in religious pilgrimage, business travel, entertainment events, and leisure tourism has significantly expanded demand for food products through hotels, restaurants, catering companies, and institutional buyers. Saudi Arabia imports approximately 80 percent of its food requirements due to limited water resources and arable land. Annual imports of food and agricultural products exceed \$33 billion in 2025. The United States remains a respected supplier of high-quality food products and ingredients, particularly in the categories of beef, poultry genetics, dairy ingredients, tree nuts, food processing ingredients, rice, snack foods, and specialty consumer-oriented products. The retail food sector continues to modernize rapidly. Hypermarkets, supermarkets, convenience stores, e-commerce platforms, and food delivery applications are expanding throughout the Kingdom. Consumers increasingly seek premium products, healthier food options, functional foods, organic products, high-protein snacks, and products with reduced sugar and sodium content.

Saudi Arabia's food processing industry is also expanding rapidly as the government seeks to strengthen domestic food manufacturing and food security. Significant investments in food processing facilities are creating opportunities for U.S. exporters of food ingredients, intermediate products, and agricultural commodities.

Table 1 – Major Advantages and Challenges in the Saudi Market

Advantages	Challenges
U.S. food products are widely recognized for quality, safety, and consistency.	Strong competition from suppliers in Brazil, the European Union, Turkey, India, Australia, and New Zealand.
The Saudi Riyal remains pegged to the U.S. dollar, reducing exchange-rate risk for U.S. exporters.	Freight and logistics costs from the United States are often higher than those from competing suppliers located closer to the region.
Growing population, expanding tourism sector, and increasing expatriate community support demand for imported foods.	Retail listing fees, promotional allowances, and merchandising costs remain significant barriers for new market entrants.
Rapid growth of hotels, restaurants, catering companies, and food delivery services creates opportunities for U.S. products.	Saudi importers often prefer to start with small trial orders before committing to larger volumes.
Government initiatives promoting healthier lifestyles are increasing demand for nutritious food and beverage products.	Frequent regulatory updates issued by the SFDA require continuous monitoring by exporters.
Expansion of food processing and manufacturing sectors creates demand for imported ingredients and raw materials.	Product registration and compliance procedures can be time-consuming for first-time exporters.
Modern retail outlets are well-equipped to handle frozen, chilled, and shelf-stable products.	Shelf-life requirements and product return policies can increase costs for suppliers and distributors.
Major retailers actively seek innovative and premium food products to differentiate themselves.	Consumer awareness of U.S. brands varies considerably by product category, requiring sustained marketing investment.
Growth in e-commerce and online grocery platforms offer new market-entry channels.	Increasing competition from locally manufactured products benefiting from government support programs.
The large expatriate population creates demand for diverse international food products.	Some consumers continue to express concerns regarding biotechnology-derived food products

SECTION II. EXPORTER BUSINESS TIPS

A. Local Business Customs

Saudi Arabia remains one of the largest food import markets in the Middle East, with a well-developed import, distribution, and retail infrastructure. A relatively small number of large importers account for a significant share of U.S. food and agricultural imports. Most imported food products enter the market through one of the following channels:

1. Private Label Programs

Private-label products continue to gain market share in Saudi Arabia. Large importers, retailers, and supermarket chains increasingly source food products from foreign suppliers under their own brand names. Private labels appeal to both Saudi consumers and expatriate residents by offering quality products at competitive prices. U.S. suppliers interested in private-label production can find opportunities through major retailers and food distributors seeking differentiated products.

2. Agency and Distribution Agreements

Many Saudi importers serve as exclusive agents or distributors for major international food brands. These importers typically invest in brand development, distribution, and marketing activities but often expect support from the supplier in the form of promotional funding, in-store activations, advertising campaigns, and technical assistance. Establishing strong relationships with reputable local distributors remains one of the most effective ways to enter the Saudi market.

3. Consolidators and Trading Companies

Many Saudi importers source products through U.S.-based consolidators that aggregate products from multiple manufacturers and suppliers. Consolidators simplify logistics by combining shipments, facilitating documentation, and providing labeling services. They also assist smaller U.S. exporters that lack the volume needed for direct container shipments. Current Saudi regulations allow Arabic-language labeling information to be affixed to products before export, provided all mandatory labeling requirements are met. Consolidators frequently assist with Arabic labeling, palletization, and export documentation. Many are located near major U.S. logistics hubs such as Houston, Miami, New York, Los Angeles, and New Jersey.

4. Direct Imports by Retail Chains

Major hypermarket and supermarket chains increasingly import products directly from overseas suppliers. Large retailers maintain international sourcing offices or work through specialized procurement companies to secure competitive pricing and exclusive products. Direct imports are common among large retail groups operating throughout Saudi Arabia and the Gulf Cooperation Council (GCC) region. Regardless of the import channel, Saudi importers actively seek innovative products that address evolving consumer preferences. Successful suppliers typically provide marketing support, promotional funding, and participation in trade shows, food exhibitions, and retail promotions. Saudi consumers are price-conscious and closely evaluate product quality, packaging, nutritional attributes, and country of origin. Promotional activities such as discounts, bundle offers and buy-one-get-one-free campaigns are commonly used to increase sales and build brand awareness. Listing fees remain common in modern retail channels and vary significantly depending on product category, retailer, and expected sales volume. Retailers may also require annual rebates, promotional contributions, merchandising support, extended payment terms, and reimbursement for unsold or expired products. Strong local distributors with established retailer relationships are often better positioned to negotiate favorable commercial terms.

B. General Consumer Taste Preferences

Saudi Arabia continues to be one of the region's most attractive markets for high-value food and beverage products. Consumers are increasingly receptive to new products and international food trends, creating opportunities for innovative U.S. food products. The Kingdom's growing population, expanding middle class, and more than 15.8 million expatriate residents support demand for a diverse range of food products, including ethnic foods, convenience foods, premium products, and specialty ingredients. Convenience remains a major driver of food purchasing decisions. Ready-to-eat meals, meal kits, frozen foods, prepared foods, home meal replacements, and food delivery services have experienced strong growth, particularly among younger consumers and working families. Health and wellness trends continue to influence consumer behavior. Rising awareness of obesity, diabetes, and lifestyle-related health concerns has increased demand for products marketed as natural, organic, high-protein, low-sugar, low-sodium, high-fiber, fortified, functional, or "better-for-you." Government initiatives promoting healthier lifestyles and front-of-package nutritional labeling have reinforced this trend.

Saudi consumers increasingly seek premium food products offering convenience, quality, authenticity, and nutritional value. Retailers have expanded their offerings of fresh produce, premium meats, seafood, prepared meals, healthy snacks, and specialty beverages. Changing lifestyles and increased female workforce participation continue to support demand for convenience-oriented food products. Women now play a significantly larger role in household purchasing decisions and food consumption patterns than a decade ago. Growth in café culture, food delivery applications, and casual dining has also contributed to changing consumption habits.

The rapid expansion of tourism, entertainment, hospitality, and foodservice sectors under Vision 2030 has accelerated demand for imported food products used by hotels, restaurants, catering companies, and institutional buyers. Consumer preference continues to shift away from some traditional canned products toward fresh, chilled, and frozen alternatives. However, canned seafood, beans, vegetables, and other shelf-stable products remain important categories for many consumers. Numerous U.S.-based restaurant and foodservice brands operate in Saudi Arabia through franchise agreements and import a portion of their food requirements from the United States. The expanding hotel, restaurant, and institutional (HRI) sector offers opportunities for U.S. suppliers of beef, seafood, dairy products, specialty ingredients, sauces, beverages, and prepared foods. Saudi Arabia permits the importation of approved biotechnology-derived food and feed products in accordance with applicable regulations. U.S. biotech feed ingredients, including corn and soybean meal, continue to enter the market without significant restrictions. However, importers of consumer-oriented products generally prefer products that do not require biotechnology-related labeling due to perceived consumer sensitivity.

C. Payment Methods

Saudi food importers are generally financially sound and maintain strong relationships with international suppliers. Nevertheless, U.S. exporters entering the market are advised to conduct due diligence on prospective business partners and utilize secure payment mechanisms during the initial stages of the relationship. For first-time transactions, exporters often use irrevocable letters of credit (L/Cs) or advance payment arrangements. As trust develops, many suppliers and importers transition to open-

account terms, documentary collections, or other commercially acceptable payment methods. Payment terms of 60 to 120 days are common among larger retailers and distributors. Exporters are encouraged to work closely with their Saudi partners to establish mutually beneficial payment arrangements while managing commercial risk.

SECTION III. IMPORT FOOD STANDARDS/REGULATIONS & IMPORT PROCEDURES

Import Food Standards and Regulations

SFDA is the primary government agency responsible for establishing and enforcing food regulations, standards, and technical requirements in Saudi Arabia. SFDA oversees the registration, inspection, and clearance of imported food products and coordinates with other government agencies to ensure compliance with applicable Saudi and Gulf Cooperation Council (GCC) regulations.

Imported food products must comply with relevant Saudi and Gulf Standardization Organization (GSO) standards, including requirements related to food safety, halal certification, additives, contaminants, pesticide residues, packaging, labeling, shelf life, and product traceability. SFDA inspectors conduct examinations of imported food products at ports of entry and may sample products for laboratory testing prior to clearance.

The Ministry of Environment, Water and Agriculture (MEWA) is responsible for regulating imports of live animals, animal genetics, and certain agricultural products, while the Saudi Customs Authority oversees customs clearance procedures and tariff collection. Saudi food regulations continue to evolve as the government strengthens food safety controls and aligns standards with international best practices. U.S. exporters are encouraged to monitor regulatory developments closely and maintain regular communication with importers and regulatory authorities to ensure continued compliance.

Detailed information regarding Saudi food regulations, certification requirements, and import procedures can be found in USDA/FAS Food and Agricultural Import Regulations and Standards (FAIRS) reports and Export Certificate Reports published by FAS Riyadh.

Import Procedures

All imported food products, including ingredients used in food processing, must be registered electronically through SFDA's food import registration system before shipment.

Registration is the responsibility of the local importer or authorized agent. Importers must establish an electronic account through SFDA's online platform and submit product information, including:

- Product name and description
- Harmonized System (HS) code
- Barcode and item identification numbers
- Complete ingredient list in Arabic and English
- Product images
- Label artwork
- Nutritional information
- Manufacturer details

- Country of origin

Food labels must comply with applicable GSO and Saudi labeling regulations and include mandatory information in Arabic. Supplemental Arabic stickers may be used when permitted under current regulations. Product registration is generally completed electronically and remains valid unless significant changes are made to product formulation, ingredients, packaging, labeling, or manufacturing facilities. Products that are not registered in the SFDA system may be denied entry.

Documents Generally Required for Imported Agricultural and Related Products

Documentation requirements vary by product category. Typical import documentation includes:

- Commercial invoice
- Bill of lading or airway bill
- Packing list
- Certificate of origin
- Health certificate, phytosanitary certificate, or veterinary certificate (when applicable)
- Halal certificate (for applicable products)
- Certificate of weight or analysis (when required)
- Other product-specific certificates required by Saudi authorities

Exporters should consult the latest USDA/FAS Export Certificate Report for Saudi Arabia for product-specific documentation requirements.

Import Tariffs on Food and Agricultural Products

Most imported food and agricultural products are subject to a 5 percent customs duty. However, selected products are assessed with higher tariff rates to support domestic production and food manufacturing industries. Import duties vary depending on product classification and local production levels. Certain products, including dates and some processed food products, may be subject to tariffs of up to 40 percent. Poultry products remain subject to elevated tariff protection measures. Several essential food and feed commodities continue to enter Saudi Arabia duty-free, including many animal feed ingredients, rice, coffee, tea, infant formula, and selected fresh food products. Saudi Arabia also applies excise taxes to specific products. Current excise taxes include:

- 100 percent on tobacco products and energy drinks.
- 50 percent on carbonated beverages.
- 50 percent on sweetened beverages containing added sugar or sweeteners.

In addition, a 15 percent Value Added Tax (VAT) applies to most goods and services sold within Saudi Arabia.

SECTION IV. MARKET SECTOR STRUCTURE AND TRENDS

Saudi Arabia's retail, foodservice, and food processing sectors continue to expand because of population growth, urbanization, tourism development, and Vision 2030 economic diversification initiatives. Each sector offers opportunities for U.S. exporters depending on product category, pricing, and distribution strategy.

Food Retail Sector

Saudi Arabia's food retail sector is among the largest in the Middle East. Total food and grocery retail sales are estimated to exceed \$70 billion annually and continue to grow. Modern retail formats, including hypermarkets, supermarkets, convenience stores, and e-commerce platforms continue to gain market share. Major retailers are expanding into secondary cities and newly developed urban centers while investing heavily in digital platforms and home delivery services. Consumers increasingly purchase food through online channels and mobile applications. Demand is strong for premium products, healthier food options, convenience foods, ready-to-eat meals, and imported specialty products. Private-label offerings are expanding rapidly as retailers seek to improve margins and differentiate themselves from competitors.

Hotel, Restaurant, and Institutional (HRI) Sector

Saudi Arabia's HRI sector is one of the fastest-growing segments of the economy. Growth is being driven by increased tourism, religious pilgrimage, entertainment activities, business travel, and large-scale development projects. Industry revenue is estimated to exceed \$30 billion annually and is expected to continue growing at a strong pace through the remainder of the decade. The sector remains heavily dependent on imported food products, particularly premium beef, seafood, dairy products, processed foods, specialty ingredients, and foodservice-ready products. Cloud kitchens, quick-service restaurants, café chains, and food delivery platforms continue to expand throughout the Kingdom. International restaurant brands and locally developed concepts are rapidly increasing their presence, creating new opportunities for U.S. suppliers.

Food Processing Sector

Saudi Arabia's food processing industry is a strategic priority under Vision 2030 and continues to attract substantial domestic and foreign investment. The Kingdom has become a major regional manufacturing hub for dairy products, beverages, bakery products, confectionery, snacks, processed meats, and packaged foods. Government incentives aimed at enhancing food security and reducing import dependence are encouraging continued expansion of the sector. Demand for imported food ingredients, intermediate products, flavorings, dairy ingredients, meat inputs, specialty grains, nuts, and food processing technologies is expected to increase over the next several years. Industry investment is estimated to exceed \$60 billion, making food processing one of the Kingdom's largest manufacturing sectors.

SECTION V. BEST PRODUCT PROSPECTS

Growing consumer demand, tourism expansion, retail modernization, and foodservice growth continue to create opportunities for U.S. exporters in the following product categories:

- Beef and beef products
- Seafood, particularly salmon, lobster, crab, black cod, and premium fish species
- Tree nuts, including almonds, pistachios, walnuts, and pecans
- Dairy products and dairy ingredients
- Food processing ingredients and specialty ingredients
- Healthy and functional foods
- Organic and natural food products
- Fresh and frozen fruits
- Snack foods
- Sauces, condiments, and flavorings
- Beverage ingredients
- Specialty coffee products
- Plant-based and alternative protein products
- Premium bakery ingredients
- Prepared and convenience foods

Strong growth is also expected in products targeting health-conscious consumers, premium hospitality establishments, and food manufacturing facilities.

SECTION VI. KEY CONTACTS AND FURTHER INFORMATION

FAS Riyadh maintains extensive contacts with Saudi food importers, distributors, retailers, foodservice operators, processors, and government agencies. The office can assist U.S. exporters with market intelligence, importer identification, matchmaking services, trade leads, and guidance regarding import requirements and regulations. U.S. exporters seeking additional information on the Saudi market are encouraged to contact:

Office of Agricultural Affairs, USDA Foreign Agricultural Service (FAS), Agriyadh@usda.gov
U.S. Embassy Riyadh, Saudi Arabia, FAS Riyadh also covers Bahrain and Yemen and can provide market information for those countries upon request.

Attachments:

No Attachments