

# Saudi Arabia seeks private investment in power, water plants

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GROWING DEMAND: Saudi Arabia is seeking private sector investment to help meet growing demand for power and water. (Getty Images)

**Saudi Arabia, the Arab world's biggest economy, is seeking private sector investment to help meet growing demand for power and water and reduce subsidy costs to the government, the industry's regulator said.**

The kingdom needs to "allow investment to come into it," Abdullah al Shehri, governor of Saudi Electricity and Co-generation Regulatory Authority, said during a conference in Jeddah today.

Shehri said: "The government is paying about 50 billion riyals a year (\$13.3 billion) to subsidize fuel needed for power production in the kingdom."

The state run Saline Water Conversion Corp is restructuring its business and "plans to encourage private sector participation," he said.

Saudi Arabia, the world's biggest oil exporter, is burning oil in power plants due to a shortage of the less costly natural gas.