

IKTVA GUIDE

In-Kingdom Total Value Add Explained

A Complete Practical Guide to Improve Your IKTVA Score & Win Aramco Contracts

1. What is IKTVA?

IKTVA (In-Kingdom Total Value Add) is a strategic program launched by **Saudi Aramco** to measure how much value a company adds to the **Saudi local economy**.

A **strong IKTVA score is mandatory** for:

- Winning Aramco contracts
- Becoming an approved Aramco vendor
- Competing with Tier-1 suppliers
- Long-term growth in Saudi Arabia

IKTVA focuses on **localization, employment, skills, and exports** — not just revenue.

2. Why IKTVA is Critical for Your Business

If you are:

- A contractor
- Manufacturer
- Service provider
- Trading company
- Technology or engineering firm

👉 You cannot win Aramco contracts without IKTVA compliance.

Key Benefits of High IKTVA Score:

- Priority in Aramco tenders
- Stronger vendor ranking
- Long-term contracts
- Better credibility with government entities
- Alignment with **Vision 2030**

3. IKTVA Scoring Pillars

IKTVA score is calculated based on **four core pillars**:

3.1 Local Staff (Saudization %)

This measures how much your workforce contributes to the Saudi economy.

What Aramco Looks For:

- Percentage of Saudi employees
- Skilled vs unskilled Saudi roles
- Salary levels paid to Saudis
- Leadership roles held by Saudis

How to Improve:

- ✓ Hire Saudis in technical & management roles
- ✓ Offer competitive salaries
- ✓ Maintain proper GOSI & HR records
- ✓ Show long-term employment plans

3.2 Local Goods (Made in Saudi)

This measures how much of your **materials, products, and services** are sourced locally.

Includes:

- Locally manufactured products
- Saudi suppliers & vendors
- Local subcontractors
- Saudi service providers

How to Improve:

- ✓ Shift procurement to Saudi suppliers
- ✓ Register products as *Made in Saudi*
- ✓ Replace imports where possible
- ✓ Maintain supplier contracts & invoices

3.3 Training & Development

Aramco rewards companies that **invest in Saudi talent**.

Includes:

- Technical training programs
- On-the-job training
- Apprenticeships
- Certifications & workshops

How to Improve:

- ✓ Conduct regular training sessions
- ✓ Maintain training records
- ✓ Partner with Saudi institutes
- ✓ Allocate annual training budgets

3.4 Export Revenue

Companies generating revenue **outside Saudi Arabia** score higher.

Includes:

- Exported products
- Overseas services
- International contracts

How to Improve:

- ✓ Register export activities
 - ✓ Maintain export invoices
 - ✓ Show foreign client contracts
 - ✓ Expand GCC & global operations
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4. IKTVA Certification Process

Step-by-Step:

1 Financial Audit

Certified audit firm prepares IKTVA data

2 IKTVA Questionnaire

Submitted through Aramco portal

3 Score Calculation

Based on verified financials

4 IKTVA Certificate Issued

Valid for **1 year**

5. Common IKTVA Mistakes to Avoid

- ❌ Hiring Saudis only for paperwork
 - ❌ No training documentation
 - ❌ Heavy reliance on imports
 - ❌ Weak financial reporting
 - ❌ No long-term localization plan
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6. How We Help You Improve IKTVA

We provide **end-to-end IKTVA support**, including:

- ✓ IKTVA readiness assessment
 - ✓ Saudization & HR structuring
 - ✓ Local supplier sourcing strategy
 - ✓ Training program design
 - ✓ Export strategy guidance
 - ✓ Audit coordination
 - ✓ Aramco-ready documentation
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7. Who This Guide is For

- ✓ Aramco Vendors
- ✓ Contractors & Suppliers
- ✓ Manufacturers
- ✓ Engineering Firms
- ✓ Service Companies
- ✓ Trading Companies

If Aramco is your target — **IKTVA is not optional.**