ChatGPT said:

The most effective way to increase ICV and iktva is to perform more value-adding work locally, buy from qualified local suppliers, and develop local employees. Local stock helps customer service, but manufacturing, repair, testing, and workforce development offer a stronger localization strategy.

The correct Saudi abbreviation is **iktva — In-Kingdom Total Value Add**.

For your mud pump parts and TRS tools businesses, I would prioritize the following:

Action	UAE: ICV	Saudi Arabia: iktva
Local manufacturing	Carry out final machining, inspection, assembly, and testing in the UAE	Carry out these activities in Saudi Arabia
Local procurement	Select competitive suppliers with valid, higher ICV scores; their scores affect recognized procurement contribution	Increase eligible Saudi goods and services purchases; verify their recognized local content
National employment	Employ and develop Emiratis in meaningful operational and commercial roles	Employ and develop Saudis in machining, maintenance, quality, sales, and operations
Training	Document Emirati training and development expenditure	Document Saudi training, apprenticeships, and technical development
Local assets	Invest in productive machinery and workshop assets; investment is a separate scoring component	Build productive local capability; confirm how expenditure is treated under the applicable survey
Supplier development	Build capable local subcontractors and increase qualifying local purchases	Develop Saudi subcontractors; eligible supplier-development spending is a specific metric

UAE ICV has separate manufacturer and service-provider formulas. Its main components are manufacturing cost or third-party spending, investment, Emiratization, and expatriate contribution. Saudi iktva measures localized goods and services, Saudi salaries, Saudi training, supplier development, and R&D against revenue. **The two scores must be calculated separately.**

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My recommended sequence for your business:

1. **Establish a local service workshop.**
   Add inspection, repair, maintenance, assembly, and testing for TRS tools, with trained local employees and documented procedures.
2. **Localize selected mud pump parts operations.**
   Import semi-finished components, then perform technically suitable final machining, inspection, assembly, and testing locally. Start with products that have repeat demand and manageable qualification requirements.
3. **Improve procurement before adding major capital expenditure.**
   Review machining subcontractors, transport, calibration, maintenance, packaging, and other recurring purchases. Compare price, quality, and recognized local-content contribution.
4. **Build national technical capability.**
   Recruit Emirati or Saudi employees into real jobs, supported by experienced specialists. Record payroll, training costs, qualifications, and progression.
5. **Calculate the score before committing investment.**
   Ask an approved certifier to compare your current business with proposed workshop and manufacturing scenarios. Select investments that improve customer service, profitability, and localization together.

These are recommended operating choices; the actual score gain depends on your financial figures and the applicable certification treatment.

Two points particularly matter for your plans:

- **A warehouse or local trading company alone may deliver limited scoring benefit.** Aramco's FAQ says traders and distributors are generally assigned zero iktva, while businesses adding finishing, installation, or maintenance may undergo assessment. FAQ
- **Keep country operations and records separate.** UAE activity supports UAE localization; Saudi activity supports Saudi localization. Do not assume an Oman factory or UAE workshop automatically increases a Saudi entity's score.

Maintain invoices, supplier certificates, payroll, training records, asset registers, and production records from the beginning. UAE certification requires audited financial statements, and iktva uses annual assessments to measure progress. moiat.gov.ae +1