

REVENUE GATE MEMO

TEMPLATE

ALQABBAT ADVISORY · SAUDI INDUSTRIAL EDGE COMPLIANCE SERIES ·
CHAPTER 1 TOOLKIT RESOURCE

PURPOSE

What is this memo for?

This memo documents how Saudi industrial compliance functions as a revenue gate for your organisation. Use it to brief executive leadership on the commercial cost of compliance gaps — translating regulatory positioning into revenue language that compels action.

Most foreign companies treat compliance as a cost centre. In the Saudi industrial market, compliance is a revenue gate — it sits in front of the contract, not behind it. This memo template structures the business case for repositioning before your next bid cycle.

When to Use

Complete this memo before any Saudi market-entry discussion, annual compliance budget review, or post-loss debrief where compliance gaps contributed to disqualification.

SECTION 1: CURRENT REVENUE EXPOSURE

1.1 Saudi Pipeline Value

METRIC	VALUE
Total Saudi pipeline value (12 months)	
Number of active Saudi opportunities	
Bids submitted in last 12 months	
Bids lost at Stage 2 (compliance qualification)	
Revenue value of Stage 2 losses	

1.2 Loss Pattern Analysis

For each Stage 2 loss in the past 12 months, identify the primary disqualification factor:

OPPORTUNITY	VALUE	PRIMARY GAP	COULD REPOSITIONING HAVE HELPED?

SECTION 2: COMPLIANCE GATE ASSESSMENT

2.1 The Four Compliance Mechanisms

Rate your organisation's current readiness against each mechanism (1 = not addressed, 5 = fully evidenced):

MECHANISM	SCORE (1-5)	EVIDENCE AVAILABLE?
Regulatory enforcement — NCA/ECC framework mapping, Saudi-specific evidence packages		
OT evaluation — OTCC domain coverage, evidence formatted for NCA audit review		
Positioning logic — Submissions framed in Saudi procurement language, accountability-first sequencing		
Localisation metrics — IKTVA/SCV score, Nitaqat classification, Etimad registration		

SECTION 3: COST OF INACTION

3.1 Revenue at Risk

CALCULATION	AMOUNT
Pipeline value where compliance is a qualification gate	
Historical Stage 2 loss rate (%)	
Annual revenue at risk = Pipeline × Loss Rate	
Cost of 90-day repositioning sprint	
ROI = Revenue at Risk ÷ Sprint Cost	

SECTION 4: EXECUTIVE DECISION

The Question for the Board

The cost of a 90-day compliance repositioning sprint is a fraction of a single lost Saudi industrial contract. The cost of not doing it is every contract lost at Stage 2 for the next 12 months.

Decision required: Authorise the repositioning sprint — or accept the current loss rate as a business cost.

DECISION	DATE / OWNER
Sprint authorised (yes/no)	
Sprint owner (named executive)	
Sprint start date	
First bid target after sprint completion	

Compliance is not a back-office function in Saudi industrial procurement. It is a revenue gate. This memo documents whether you are on the right side of it.