

The future defense workforce

Driving sovereignty and operational readiness

Defense integration series



Modern defense power is no longer defined by platforms or procurement but by the human capability that designs, sustains, and advances them. Saudi Arabia is addressing this challenge by building a defense ecosystem that integrates industrial localization, workforce development, and digital capability. As systems become more sophisticated and threats more complex, developing a solid localized knowledge base in line with Vision 2030 will contribute to increasing sovereignty and readiness. This white paper examines how the Kingdom is turning human capital into a strategic asset and shaping the foundations of a future-ready defense economy.

The global shift: From procurement to capability

Traditional defense modernization once focused on acquiring equipment. Today, readiness depends equally on skilled people and data-driven processes. Across advanced economies, shortages in cyber, engineering, and artificial intelligence talent restrict innovation and reduce the operational impact of technology. Global benchmarks such as the U.S. Department of Defense Human Capital Operating Plan (2024–2025) and the European Commission’s Readiness 2030 White Paper highlight that human capability is now central to national security advantage.

The strategic imperative: Human capability as the core of sovereignty

Many nations investing in advanced systems face a common challenge: ensuring that workforce capability develops in parallel with technology acquisition. Without this balance, modern platforms risk underperformance and continued reliance on foreign expertise. Saudi Arabia

has recognized this risk and placed workforce localization at the center of its defense transformation. The General Authority for Military Industries (GAMI), and the Saudi Arabian Military Industries (SAMI), are aligning education, industrial policy, and defense strategy to build integrated capability.

Saudi Arabia’s transformation journey

The implementation of Saudi Arabia’s defense localization strategy continues to advance steadily, supported by long-term national planning. Localization in the defense sector has increased from around 4 percent in 2018 to 24.9 percent in 2024, according to GAMI, moving toward the national target of 50 percent by 2030. The local content share has also risen to 40.7 percent, compared with 38.4 percent in 2023, reflecting stronger integration between defense procurement and local industry. This progress demonstrates the growing maturity of Kingdom’s defense ecosystem, where industrial capability and human capital development advance in parallel.

At the same time the National Academy for Military Industries (NAMI), established in 2022, supports technical training and knowledge transfer in defense-related fields and the General Authority for Defense Development (GADD) enhances alignment between research, development, and capability priorities. Programs such as the Misk–SAMI Graduate Program provide early career experience for Saudi engineers, while the Saudi Data and AI Authority (SDAIA) continues to build digital readiness across national sectors, including defense. Together, these efforts represent the foundation for a more localized and sustainable workforce with a solid and growing knowledge base to grow the defense economy.

Strategic levers for results

To sustain its transformation, Saudi Arabia can strengthen progress by implementing a number of human capability strategic levers that turn policy ambition into measurable results. When integrated these mechanisms embed accountability, transparency, and continuous learning within the defense workforce ecosystem.

Lever	Objective
Unified workforce strategy <i>Advise and accelerate</i>	Align defense, civil, and industrial planning to ensure capability coherence.
Talent mobility framework <i>Advance and accelerate</i>	Facilitate movement between defense, academia, and industry.
Digital skills programs <i>Advance</i>	Expand AI, cyber, and data analytics proficiency across defense entities.
Readiness index <i>Advance</i>	Link workforce outcomes directly to readiness and industrial performance.
International partnerships <i>Advise and advance</i>	Support skill transfer through targeted joint ventures and specialized training.

The economics of workforce sovereignty

Investment in human capital strengthens both national security and economic resilience. Global benchmarks show that defense workforces generate measurable economic value. In the United States, every US\$1 billion spent in defense manufacturing output supports about 5,700 jobs across supply chains. In the United Kingdom, the sector contributes around £25 billion to GDP and sustains 260,000 skilled jobs. Across the European Union, defense industries employ more than 1.6 million people and generate about €70 billion in annual value.

For Saudi Arabia, this dynamic is beginning to emerge. There is great potential for investing in local private defense companies and new financing frameworks for defense procurement will serve as a driving engine for growing this sector. As localization expands, each new Saudi engineer, technician, or systems specialist contributes to productivity, knowledge transfer, and supply-chain resilience.

Defense employment stimulates innovation in education, logistics, and technology while retaining critical expertise within the Kingdom. By embedding workforce programs within its defense-industrial ecosystem, Saudi Arabia is transforming defense expenditure into a strategic investment cycle that enhances readiness and competitiveness. This integration of defense capability and economic growth defines the essence of the

future defense economy.

Measuring progress and readiness

As a means of tracking human capability integration and development, a proposed Defense Workforce Capability Index (DWCI) could provide a unified model for tracking human-capital development across the sector. The index would measure:

- **Localization rate:** Percentage of Saudi nationals employed across defense industries.
- **Technical qualification rate:** Proportion of personnel certified in advanced and digital systems.
- **Operational self-sufficiency:** Share of maintenance, integration, and sustainment conducted domestically.

This framework would link workforce development directly to operational readiness and ensure that human capability is measured with the same precision as technology performance.

Inspiring the next generation

Sustaining localization requires more than policy, it requires vision. For many young nationals, the defense sector is evolving into a center of innovation in artificial intelligence, robotics, cybersecurity, and advanced manufacturing. To make defense careers more appealing, the ecosystem should emphasize:

- **Purpose and national pride:** Framing defense as a contribution to national progress and technological excellence.
- **Career mobility:** Creating pathways that connect defense, research, and engineering roles.
- **Modern work environments:** Promoting digital labs, advanced facilities, and innovation-driven cultures.
- **Early engagement:** Expanding partnerships with universities and technical colleges to introduce defense technology early.
- **Entrepreneurial opportunities:** Encouraging defense-tech start-ups through funding and mentorship programs that connect innovators with national priorities.

Initiatives led by NAMI, SAMI, GADD, and GAMI are helping position defense as a modern, high-impact sector aligned with the Kingdom's vision for human-capital excellence and sovereign capability.

The way forward: Human capital as the foundation of sovereignty

The defense economies of the future will be defined by what they acquire and by the people who design, develop, operate, and sustain them. Saudi Arabia's integration of workforce development, localization,

and digital transformation demonstrates how human capital can evolve from an operational resource into a strategic pillar of sovereignty. The future defense economy is a human-technology economy, built on talent, capability development, and trust as the lasting foundations of readiness and national power.

Advice

Investment attraction to structure workforce funds and talent covenants to develop skills pathways.

Accelerate

Change management to move from transformation to implementing modernization and new doctrine-based capability development.

Advance

Program management to enable actual delivery end-to-end.

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KPMG brings its team of dedicated Defense and Security experts to lead the discussions on defense integration, innovation and localization under Vision 2030 – along many other themes. As Saudi Arabia advances toward the ambitious goals of Vision 2030, the localization of defense industries is becoming a strategic priority. This transformation is about building national capabilities, supporting local talent, empowering SMEs, and fostering innovation. WDS 2026 will showcase cutting-edge technologies, bring together global and local leaders, and spark the collaborations needed to accelerate the Kingdom’s defense and industrial ambitions. At KPMG, we are proud to support this transition and to integrate technology and capability development.

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