



The Agricultural Development Fund

adf.gov.sa

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The Agricultural Development Fund (ADF) of the Kingdom of Saudi Arabia at a Glance...



Established in 1963 by Royal Decree number 58.

Mandate is to provide credit solutions to individuals, Cooperatives, and Companies operating in the Saudi Agricultural sector.

The Fund supports the sustainable development of the Kingdom's Agri sector, food security, and resource conservation objectives.



Main Objectives



Finance the agriculture sector



Promote sustainable agricultural rural development



Encourage the use of modern technologies



Improve customers' experience and offer best-in-class services

ADF Snapshot



Employees
1664



Service centers in the Kingdom
64



Capital
SR 25 Billion



Loans Outstanding
SR 14.7 Billion

Loan Portfolio Overview

ADF Approved Loans **SR 65.8 Billion**

Developmental Loans



37.2 billion
(474,979 loans)

Agricultural Investment Abroad (AIA)



1 billion
(3 loans)

Specialised Loans



27.6 billion
(5,723 loans)

Breakdown of Specialised Loans

Greenhouses



3.5 billion
(496 loans)

Aquaculture



1.2 billion
(73 loans)

Poultry



6.7 billion
(1,402 loans)

Others



16.2 billion
(3,752 loans)

Funding for Agri Projects in KSA



The Fund actively provides financing to a number of key verticals in the Agri sector including but no limited to the following



Targeted Activities:

- Fish hatcheries
- Shrimp farming
- Floating cages
- Aquaponics system
- Inland fish farming in closed systems (water recycling)



Program 1: Strategic Projects

Eligible for foreign investors

To fund projects that use advance technology within the sector.

Sectors targeted include but are not limited to: Poultry (chicken breeding and egg fertilization projects), Aquaculture (fish hatcheries projects), and seed production from plant tissue.

Project assets are permitted to be used as collateral and are valued at **60%** of capital investment value for collateral coverage requirements.



13 year tenor
(3 grace + 10
repayment)



Up to **75%**
financing ratio



20% - 25%
Upfront
Disbursement

Program 2: Food Security Projects

Eligible for foreign investors

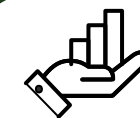
To fund projects that produce value-added products from agricultural/animal inputs.

Sectors targeted include but are not limited to: poultry, aquaculture, air conditioned greenhouses (including hydroponics and aquaponics), other related sectors.

Project assets are permitted to be used as collateral and are valued at **55%** of capital investment value for collateral coverage requirements.



12 year tenor
(2 grace + 10
repayment)



Up to **70%**
financing ratio



20% - 25%
Upfront
Disbursement

Program 3: Supply Chains & Marketing for Agri Products *Eligible for foreign investors*

To purchase equipment to strengthen the supply chains and marketing of agricultural products for example: refrigerators and freezers/ warehouses and stores / means of transportation / marketing centers / slaughterhouses. Project assets are permitted to be used as collateral and are valued at 55% of capital investment value for collateral coverage requirements.



12 year tenor
(2 grace + 10
repayment)



Up to **70%**
financing ratio



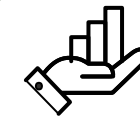
20% - 25%
Upfront
Disbursement

Program 4: Innovative Projects and Patents *Eligible for foreign investors*

To fund a patent or localized methods that will provide high quality products, or reduce the depletion of resources compared to traditional methods. To obtain funding the initiative should have support from the research and Innovation Agency at MEWA and should be commercially feasible. Maximum lending amount for this program is SAR 10 million. Mortgage of project assets are sufficient to meet collateral requirements.



12 year tenor
(2 grace + 10
repayment)



Up to **80%**
financing ratio



30%
Upfront
Disbursement



Funding for Agri Projects Outside KSA

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In 2019, the ADF launched its flagship Agricultural Investment Abroad Program (AIA) to meet the overarching goals of the Nation's Food Security Strategy



The AIA program was established in June 2019 to fund investment in agricultural projects outside KSA with the aim of achieving the nation's food security objectives outlined by Vision 2030

The main objectives of the Program

Securing stable and affordable supplies of scarce commodities through strategic and feasible agricultural investments abroad

Guiding and supporting private sector participation with agricultural investments abroad

Develop ties between Saudi investors and agricultural companies/enterprises in host countries

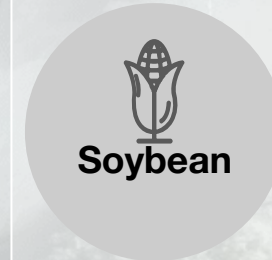


AIA funds investment in 9 strategic commodities selected by the nation food security strategy, 3 of which are considered of primary importance

Primary Crops



Secondary Crops



Common Characteristics among all loan products

**Attractive Loan Pricing
Comparing to
Other Financial
Institutions**



**Borrowing
company must
be registered in
KSA and can be
fully foreign
owned**



**Loan must be
covered by
eligible
collaterals (see
below)**



Real Estate



**Project
Assets**



**Bank
Guarantees**



**Investment
Portfolio**



**Corporate
Guarantees**



**Assignment
of
Proceeds**

**Collaterals can be accepted in KSA and/or the project host country
and/or other countries**

Thank you



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