



The Saudi Fund for Development

The Activity of the Saudi Fund for Development in **AFRICA**

2014



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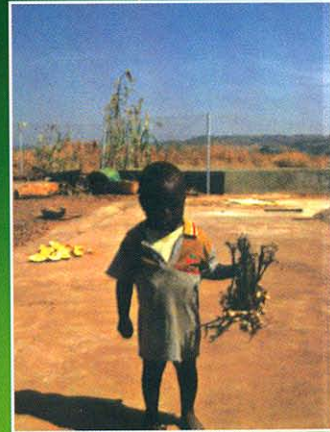




When the Fund started its activity in 1975 - as the main channel through which the Kingdom's aids flow to different developing countries in order to help them overcome the hardships incurred by their limited resources - it had taken into account the importance of dealing with those countries from multiple perspectives. The developing countries, though similar in many aspects and suffer the same problems; however, they are very different in many fields. Accordingly, the Fund had so early conceived the special case of Africa which suffers a unique severe conditions and ruthless circumstances.



Throughout the past decades, Africa has suffered harsh political and economic circumstances which negatively impacted a number of fields particularly the human resources, natural wealth as well as the social and economic infrastructure. Since the 20th century early sixties, Africa has found itself face to face with unaffordable cruel circumstances and almost a fragile economic infrastructure; not to mention the difficulty of getting on the right development track and selecting the adequate financial and economic policies. That's in addition to the fact that many of these countries suffer political volatility.





Details of SFD's Activity in Africa

From 1975 to 2013, the Fund has provided 332 loans to finance 318 development projects and programs in 44 African countries – 4 in North Africa and 40 located to the south of the Sahara. The total value of loans amounted to SR. 21593.03 million, equivalent to US\$ 5758.14 million, and were allocated to finance 295 projects and 23 programs.

The following briefly reviews the Fund's contributions:

- The above mentioned contributions represent about 51.02% of the Fund's total cumulative contributions.
- The transportation and communication sector came at the top of the Fund's contributions list. In this regard, 108 projects were financed with SR. 6185.93 million, which represents 28.65% of the total loans amount allocated for Africa. The Fund devoted special attention to this sector given Africa's extreme lack of the transportation and communication networks required for social and economic growth. Hence, in course of its first seven years of activity and up till the end of 1982, the Fund dedicated 46.00% of its loans to Africa.





- The Fund has contributed SR. 4885.48 million, representing 22.63% of its total loans amount to Africa, to finance 65 projects and programs in the agriculture sector. Throughout the first seven years of the Fund's activity, the contributed amount represent about 20.30% which then increased because of the priority given to food security since the early eighties.
- From 1975 to 2013, the Fund financed 88 social development projects and programs with SR. 5685.59 million. The amount represents 26.33% of the total loans allocated for Africa compared to only 14.50% during the Fund's first seven years of activity. This increase is attributed to the growing care for this sector in light of focusing on the human resources as an essential ingredient for social and economic development. It's also worth mentioning that the social infrastructure projects have played a key role in the poverty reduction strategies adopted recently by various countries.
- Given Africa's increasing demand for energy and based on the crucial need to increase the energy production, expand its networks and deliver it to the rural areas, the Fund has included this sector within the framework of its development activity. It accordingly financed 23 projects and programs with SR. 2930.98 million - almost 13.57% of its total contributions to Africa.



- The industry and mining sector is particularly important for creation of job opportunities, and it also helps increase the value added to national products. The Fund has financed 12 projects and programs in Africa with a total of SR. 1277.21 million, by about 5.91% of the Fund total assistance to Africa.



- The Fund has similarly contributed to the efforts of African countries in various other sectors. The Fund has provided 22 loans at a total amount of SR. 627.84 million, about 2.91%. In this respect, it financed the joint programs with the World Bank related to the Sub-Saharan and the joint program with the International Monetary Fund concerned with the structural adjustment of low-income developing countries.



The SFD's Projects in African Countries during the Period 1975 - 2013

(SR. Million)

Country	No. of Projects	Amount	Country	No. of Projects	Amount
Algeria	18	1408.09	Lesotho	3	148.91
Benin	4	188.00	Liberia	2	70.60
Botswana	2	59.39	Mauritius	2	30.30
Burkina Faso	10	376.87	Malawi	3	135.00
Burundi	9	233.79	Mali	14	713.09
Cameroon	6	261.18	Madagascar	3	86.40
Cape Verde	3	83.66	Mauritania	13	1429.85
Central Africa Republic	3	45.00	Morocco	18	2233.00
Chad	2	57.00	Mozambique	3	116.25
Comoros	2	44.00	Niger	9	337.15
Cote d'Ivoire	3	195.00	Rwanda	9	343.99
Democratic Republic of Congo	2	70.04	Senegal	21	961.42
Djibouti	9	345.23	Sierra Leone	3	78.83
Egypt	16	2412.53	Somalia	3	352.59
Eritrea	3	230.25	Sudan	17	2618.15
Ethiopia	6	327.50	Tanzania	5	143.65
Gabon	3	140.03	Togo	5	114.24
Gambia	9	225.67	Tunisia	24	2762.80
Ghana	10	391.65	Uganda	5	135.61
Guinea	14	731.37	Zambia	3	185.00
Guinea Bissau	5	81.70	Zimbabwe	1	23.66
Kenya	11	499.70	Total	318	21593.03