



The Saudi Fund for Development



The Role of the Saudi Fund for Development in Supporting Energy Sector

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The Saudi Fund for Development represents the main entity responsible for the implementation of the Saudi government policy embodied in the provision of assistance to the developing countries. By doing so, the Kingdom aims to help those countries implement their development projects related and supportive with social and economic programs in order to enhance their economy and accomplish urban prosperity, thus eventually reaching a balanced and comprehensive development. Accordingly, the Fund has kept on course of its march to allocate a considerable share of its contributions to finance a number of social and economic projects and programs.

In this regard, the Fund signed, since its inception in 1975 till the end of 2013, *563 loan agreements to finance *542 development projects and programs at a total amount of SR. 42323 million, benefitting 81 development countries across the world.

In view of the growing demand for energy in the developing countries and the urgent need to increase its production and expand its networks to reach the rural areas, and also given the enormous investments required to finance this sector. Thus the Fund had allocated SR. 8967.85 million to finance the energy sector that represents about 21.19% of the Fund's total contributions to participate in finance 61 development projects and programs; of which 23 were in Africa with an amount of SR. 2930.98 million, 37 in Asia at a total of SR. 5925.81 million, and 1 project in Other Regions at a total value of SR. 111.06 million.

The Fund's role wasn't restricted to the direct finance of the Energy sector's projects, but it extended to the provision of dual and multi-purpose projects as well as other ones of indirect relevance to the energy sector. These included the construction of dams on rivers in order to benefit from their water in irrigation of lands, provision of potable water and generation of energy. In financing the energy projects, the Fund endeavored to let the broadest segment of the society benefit of its financed projects, particularly the poor ones living in villages and rural areas. In line with this context, the Fund allocated part of its contributions to this sector to generate or transfer of energy to rural areas.



* The reason that the number of signed loan agreements exceeds the number of projects and programs is that some projects received more than one loan

