

# KHUTA

A Monthly Newsletter Published by the  
Development Ecosystem in the Kingdom



## Development Financing:

A Pillar of Saudi Vision 2030



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## **NDF Showcases Impact Investment Tools at Asir Investment Forum**

Abha, Saudi Arabia – Dr. Stephen P. Groff, Governor of the National Development Fund (NDF), highlighted the importance of innovative, impact-driven financing during his participation in the second Asir Investment Forum, held under the patronage of HRH Prince Turki bin Talal bin Abdulaziz, Governor of Asir and Chairman of the Regional Development Authority.

Held at King Khalid University in Al-Far'a, the forum ran under the theme "Asir Thrives... Invest Now," drawing attention to the region's untapped investment potential.



Dr. Groff emphasized the Fund's pivotal role in aligning development financing with long-term socioeconomic impact, positioning NDF as a catalyst for cross-sector collaboration and sustainable regional growth—key objectives of Saudi Vision 2030.

He called for innovative financing mechanisms to attract investments to non-traditional sectors, particularly in high-potential but underserved regions. Joint funding models that blend public and private capital—such as debt financing, venture capital, and equity tools—were highlighted as effective risk-sharing approaches for early-stage investments.

Dr. Groff also advocated for the creation of specialized investment platforms targeting underdeveloped sectors, in collaboration with local industries and stakeholders. These platforms, he noted, should empower the private sector to lead implementation, while public entities ensure governance and long-term viability.

Investment stimulation, he added, extends beyond capital. It requires robust local ecosystems, including infrastructure upgrades, skill development, and improved digital readiness—particularly in rural and remote areas.

On regulation, Dr. Groff stressed the need for a streamlined and investor-friendly legislative environment, including clear land-use policies, unified incentives, and simplified procedures, especially in promising sectors like tourism.

Modern regulatory models—such as special economic zones and policy testing sandboxes—enable the country to experiment with flexible, investment-friendly solutions. Additionally, performance-based tax incentives, environmental, social, and governance (ESG) disclosure regulations, and green financing tools like green bonds have become essential to enhancing the Kingdom's competitiveness and attracting global investors.

measurement indicators into its funding models, prioritizing initiatives that generate jobs, support SMEs, and drive balanced regional development.

He urged the expansion of impact-aligned public-private funds in sectors like culture, tourism, and entertainment to amplify both economic and social returns.

Closing his remarks, Dr. Groff affirmed that NDF has begun incorporating impact



## A Cornerstone for an Ambitious Future

### Development Financing: A Pillar of Saudi Vision 2030

Amid Saudi Arabia's rapid economic transformation, development financing emerges as a vital force driving Vision 2030 forward—serving as a dynamic engine of comprehensive development where national ambitions intersect with social and economic needs.

At the forefront of this landscape stands the National Development Fund (NDF), the Kingdom's strategic financing arm overseeing a broad ecosystem of development funds and banks. By empowering these institutions and directing capital toward priority sectors, NDF contributes to diversifying the economic base, enhancing fiscal sustainability, and enabling high-impact projects that make a real difference.

The Fund's mission is clearly reflected in its support for high-potential sectors such as industry, tourism, technology, and renewable energy, as well as its backing of micro, small, and medium-sized enterprises (MSMEs). In parallel, it delivers integrated financing solutions to national programs and plays a key role in public-private partnerships, helping drive growth momentum and create fertile ground for innovation.

Looking to the future, development financing acts as a powerful lever for national progress. It creates long-term investment opportunities, stimulates local economic activity, and strengthens community empowerment—particularly for youth, women, and entrepreneurs—through programs tailored to support startups and emerging initiatives. In doing so, it is closely aligned with sustainability principles, integrating ESG (Environmental, Social, and Governance) criteria into its tools to help build a more resilient, inclusive, and robust economy.

By the end of 2024, the NDF reported a net return of SAR 74 million, alongside new approved financing worth SAR 600 million and over SAR 2 billion in financial services rendered to other government entities. These figures underscore the Fund's essential role in advancing national development, boosting local content, and stimulating regional growth, all guided by a performance measurement platform focused on tangible outcomes and real impact.

As Saudi Arabia continues its journey toward a prosperous future, the NDF stands as both a financing engine and a development driver—propelling the economy through smart financial products, broader digitalization, greater efficiency and transparency, and stronger institutional capacity across its affiliated funds.

Ultimately, development financing remains the foundation upon which transformation is built, opportunities are created, and a sustainable future is shaped—through the collective efforts of government, society, and the private sector—positioning the Kingdom among the world's leading economies.







## Crown Prince Mohammed bin Salman: Saudi Economy Is the U.S.'s Largest Partner in the Region

Saudi Crown Prince and Prime Minister Mohammed bin Salman affirmed the strength of the Saudi-U.S. economic relationship, noting it dates back 92 years. He emphasized that joint investments are among the most important pillars of this enduring partnership. He highlighted that Saudi Arabia is the largest economy in the region and currently the fastest-growing economy in the G20. The Crown Prince also underscored that the United States is one of the top partners supporting the realization of Saudi Vision 2030, with shared investments playing a central role in bilateral economic ties.



## CEO of the U.S.-Saudi Business Council Outlines Trump's Economic Priorities During Visit to the Kingdom — CNBC Arabia

The U.S. President's visit to Saudi Arabia focused on strengthening economic partnerships, particularly in clean energy, artificial intelligence, cloud computing, and semiconductors, aligning with Vision 2030's goals of diversifying the Saudi economy. **Charles Hallab**, CEO of the U.S.-Saudi Business Council, stated that the visit highlighted significant investment opportunities estimated at \$600 billion over the coming years. These span key sectors such as technology, education, defense, healthcare, and transportation. U.S.-Saudi economic ties have expanded beyond oil, with bilateral trade reaching \$25.9 billion in 2024, reflecting a dynamic and forward-looking strategic partnership.



## Saudi Economy Minister: Non-Oil Sector Contribution Rises to 53.2% of GDP

Saudi Arabia announced that the non-oil sector's share of GDP rose to 53.2% in Q1 2025, a 5.7% increase over previous estimates — highlighting the success of economic diversification efforts under Saudi Vision 2030. Minister of Economy Faisal Al-Ibrahim stated that non-oil activities grew by 4.2%, reflecting the resilience of the economy and the dynamism of national development policies. The General Authority for Statistics (GASTAT) conducted a comprehensive data update covering millions of sites and sources, which enhanced the accuracy of estimates and expanded the classification of economic activities. Overall, the Saudi economy recorded annual growth of 2.7% and quarterly growth of 0.9%, driven by robust performance in both government and non-oil sectors.



## Digital Economy's Share Rises to 15.6% of GDP, Says GASTAT

The General Authority for Statistics (GASTAT) announced that the digital economy's contribution to Saudi Arabia's Gross Domestic Product (GDP) rose to 15.6% in 2023, marking a 1.6% increase from 2022. According to GASTAT's Digital Economy Statistics Bulletin, the Kingdom witnessed notable growth in the sector. Imports of ICT goods reached SAR 54.9 billion, while exports surged by 76.1% to SAR 11.8 billion. Total sector revenues stood at SAR 236.4 billion, against operational expenditures of SAR 115.4 billion. The report also revealed that 71.6% of enterprises in Saudi Arabia now use internet-connected smart systems, reflecting the country's accelerating digital transformation. The bulletin is aligned with international standards set by UNCTAD, ensuring the global comparability and credibility of Saudi Arabia's digital economy indicators.

## Highlights from the interview with Dr. Reham Fakieh, Executive Director of Developmental Research at the National Development Fund, on “Economic Bulletin” by the Saudi Economic Association



Through the Development and Economic Research and Policy Support Unit, the National Development Fund evaluates the social and economic impact of its activities, provides evidence-based recommendations, and supports its affiliated entities in developing effective policies and developmental initiatives.

Educational institutions play a central role in achieving comprehensive development, as education is a fundamental pillar of economic growth. It empowers human capital with the knowledge and skills necessary to meet the evolving needs of society and the labor market. Through active partnerships with civil society organizations, we can amplify impact and ensure alignment across developmental efforts. Scientific research and development, meanwhile, serves as a strategic tool that enables policymakers and researchers to keep pace with advancements across sectors, support innovation, and ensure the continuity and sustainability of initiatives in alignment with Saudi Vision 2030 and beyond.

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“Among the key sectors expected to play a pivotal role in achieving sustainable economic growth are the technology and artificial intelligence sectors, as well as the space sector, due to their promising future potential. Additionally, tourism and culture have emerged as new pillars of growth, demonstrating significant progress in recent years. Moreover, the small and medium enterprises (SMEs) sector remains a vital driver of the economy, contributing to job creation and the promotion of innovation.”





## Strengthening Collaboration Between Financial Institutions and Banks – The National Development Fund Hosts the Economics and Development Forum

The National Development Fund (NDF) held the inaugural edition of the “Economics and Development: Global and Local Markets” forum in Riyadh, bringing together leaders from both the public and private sectors. The event aimed to foster enhanced collaboration between financial institutions and banks while supporting the Kingdom’s national development objectives.

The forum highlighted the critical importance of sectoral integration to address economic challenges effectively. Participants engaged in the exchange of

expertise and analyses to align efforts with the ambitious goals of Saudi Arabia’s Vision 2030.

Dr. Stephen P. Groff, Governor of the Fund, emphasized the vital role of strategic partnerships in ensuring economic stability. Meanwhile, the CEO of the Saudi National Bank underscored the need for open dialogue among various stakeholders.

The forum concluded with a series

of recommendations advocating the adoption of flexible financing and investment strategies designed to bolster the resilience of the Saudi economy.

## stc Announces Plans to Establish One of the Largest Data Centers in Dammam

stc Group has announced its intention to sign a preliminary financing agreement through its subsidiary, Center3, with the National Infrastructure Fund to build one of the largest data centers in the city of Dammam. This facility will be dedicated entirely to serving Microsoft. The project aims to strengthen Saudi Arabia’s position as a global hub for data and artificial intelligence, fully aligned with the objectives of Vision 2030. It forms part of Center3’s broader strategy to expand its network of state-of-the-art data centers to meet the growing demand for hosting and cloud computing services. This collaboration with the National Infrastructure Fund exemplifies the integration between the public and private sectors in supporting digital infrastructure projects, localizing services, and advancing the digital economy.





## Saudi Fund for Development Participates in Signing Ceremony for Completion of King Abdullah Medical City Project in Bahrain



The Saudi Fund for Development participated in the signing ceremony for the contract to complete the King Abdullah Medical City project in Bahrain, with a financing package totaling 1 billion Saudi Riyals. The project aims to equip the hospital with a capacity of 276 beds across an area of 70,000 square meters, featuring specialized medical departments and the latest medical equipment to support healthcare services and medical education. This initiative strengthens the collaboration between Saudi Arabia and Bahrain, contributing to the enhancement of healthcare infrastructure and providing educational opportunities for medical students, all in accordance with the highest international standards. This partnership embodies the ongoing developmental cooperation between the two countries and underscores the critical role of the healthcare sector in achieving sustainable development and promoting regional integration.

## Saudi Fund for Development Inaugurates Two University Development Projects in Indonesia with Over \$88 Million in Funding

The Saudi Fund for Development recently inaugurated two major development projects at the State University of Jakarta and Maulana Malik Ibrahim University in Malang, Indonesia, with funding exceeding \$88 million. The first project at the University of Jakarta involves the construction of four 10-story buildings, a large mosque, and a social development center, aimed at increasing the university's capacity from 28,000 to 40,000 students. Meanwhile, the Malang University project includes the development of five buildings comprising faculties, research centers, and student housing equipped with renewable energy systems, spanning an area of 42,000 square meters. These initiatives reflect the Fund's ongoing commitment to supporting education and sustainable development, building on a long-standing developmental partnership between Saudi Arabia and Indonesia that dates back to 1976.



## Urban Finance Forum Highlights Over SAR 6.2 Billion in Development Projects Across Eight Cities

The Arab-European Cities Dialogue Forum in Riyadh recently hosted a session titled "Urban Finance Forum," showcasing urban development projects from eight cities with a combined value exceeding SAR 6.2 billion. Representatives from international financing institutions, including the Saudi Development Fund and the African Development Bank, participated in the session. Discussions focused on bridging the gap between the financial

needs of cities and the available funding instruments. Featured projects included the restoration of heritage buildings, transportation development, waste management, and green initiatives. Key participating cities included Dammam, Ramallah, Nice, Madrid, and Erbil. The session underscored a practical approach to strengthening sustainable

development partnerships that support urban and environmental transformation.





## Tourism Development Fund Empowers Over 2,400 Projects to Develop 9,200 Hotel Rooms Across Saudi Arabia

The Tourism Development Fund (TDF) participated in the "Future of Hospitality Summit 2025" held in Riyadh, where it showcased its achievements in supporting more than 2,400 direct and indirect tourism projects valued at over SAR 35 billion. These projects include the development of 9,200 hotel rooms across diverse destinations throughout the Kingdom. The Fund reaffirmed its role as a developmental engine and investment enabler, offering both financial and non-financial solutions to support large-scale and emerging tourism ventures. Officials emphasized the importance of strategic partnerships and non-financial support delivered through the "Tourism Growth Center," which has served more than 8,800 beneficiaries. Discussions also focused on enhancing hotel investments and providing innovative solutions to mitigate risks and ensure the success of sustainable tourism projects in line with Vision 2030.



## Tourism Development Fund CEO Visits Key Tourism Projects in the Eastern Province

Qusai Al-Fakhri, CEO of the Tourism Development Fund, recently toured several landmark tourism projects in Al Khobar and Dammam to monitor progress and assess their readiness in alignment with the goals of the National Tourism Strategy. The visit included major developments such as "The Avenues – Al Khobar," "Fairmont Ajdan," "Bayfront by Ajdan," and "Nobu Al Khobar." These projects enhance quality of life and contribute to boosting commercial and tourism activity in the region. Al-Fakhri emphasized the Fund's commitment to supporting high-impact projects as part of ongoing efforts to position the Eastern Province as a promising tourism destination. The total value of funded projects in Dammam and Al Khobar approaches SAR 10 billion, supporting the ambitious targets of Vision 2030.

## HRDF Facilitates Employment of 143,000 Saudi Nationals in the Private Sector During Q1 2025

The Human Resources Development Fund (HRDF, "Hadaf") announced its contribution to the employment of 143,000 Saudi men and women in the private sector during the first quarter of 2025, marking a remarkable 93% increase compared to the same period in 2024. Additionally, 1.18 million individuals benefited from training, empowerment, and mentorship programs, while over 98,000 establishments—93% of which are small and medium enterprises—participated, with total expenditures exceeding SAR 1.83 billion. Turki Al-Jaouini, the Fund's Director General, affirmed that these achievements demonstrate the Fund's commitment to developing the national human capital and meeting labor market demands, in alignment with the targets of Vision 2030.





صندوق التنمية العقارية  
REAL ESTATE DEVELOPMENT FUND



## Real Estate Development Fund Deposits SAR 1.060 Billion into “Sakani” Beneficiaries’ Accounts for June 2025

The Real Estate Development Fund announced the deposit of SAR 1.060 billion into the accounts of beneficiaries of the “Sakani” program for June 2025. This initiative is part of ongoing efforts to support homeownership and achieve the objectives of the Housing Program, a key component of Saudi Arabia’s Vision 2030. Mansour bin Madhi, CEO of the Fund, explained that the support was allocated to profits from various housing support program contracts, with the aim of supporting and improving beneficiaries’ ability to own homes, in line with the objectives of the Housing Program – one of the 2030 Kingdom’s Vision programs.

Bin Madi called on beneficiaries of the “Self-Build” and “Land and Loan” programs to benefit from the new system for disbursing financial payments which will enable them to address the challenges they face in completing the stages of building their homes, pointing out that the new system allows beneficiaries who have exceeded 36 months and have not completed the stages of building their homes to continue building in a manner that suits their needs and to return housing support to them retroactively after disbursing the financing payment according to the conditions that ensures the continuity of housing support until the home is ready and owned.





## The Emir of Hail Launches Hail Investment Forum 2025 and Witnesses Signing of Agreements and Projects Worth SAR 8.5 Billion

His Royal Highness Prince Abdulaziz bin Saad bin Abdulaziz, Emir of the Hail Region, officially inaugurated the Hail Investment Forum 2025 under the theme "Be Part of a Promising Future." The event featured participation from ministers and investors and witnessed the signing of agreements and projects exceeding SAR 8.5 billion, alongside the presentation of 125 investment opportunities. The forum highlighted key sectors including agriculture, tourism, industry, and energy, emphasizing Hail's attractiveness as an investment destination due to its strategic location and abundant natural resources. Total funding by the Agricultural Development Fund in the Hail region has surpassed SAR 7 billion, significantly advancing sustainable agricultural development. The forum reaffirms the region's commitment to comprehensive growth aligned with the Kingdom's Vision 2030 goals.

## Saudi Exports-Imports Bank Receives Long-Term +A Credit Rating, Enhancing Capacity to Grow and Expand Export Access Globally



The Saudi Exports-Imports Bank has been awarded a long-term +A and short-term F1+ credit rating by Fitch Ratings, with a stable outlook, marking its inaugural credit assessment. The rating reflects strong government support, oversight by the National Development Fund, and the bank's pivotal role in implementing export support policies. This credit rating strengthens the bank's ability to expand its global footprint and supports the growth of non-oil exports, contributing to the diversification of the national economy. Saad Al-Khalb, CEO of the bank, emphasized that the rating underscores the institution's commitment to transparency and efficiency, representing a strategic milestone toward achieving the objectives of Saudi Arabia's Vision 2030.







## Cultural Development Fund Concludes Second Activation at Expo 2025 Osaka Highlighting "Handicraft Experiences: Art and Innovation"

In collaboration with the Saudi Pavilion, the Cultural Fund wrapped up its second major activation at Expo 2025 Osaka, attracting over 6,900 visitors. The event focused on celebrating the Year of Handicrafts 2025 through interactive showcases by Saudi artisans. Highlights included artistic panels inspired by the Al-Qatt Al-Asiri style, aromatic scents evoking the Kingdom's environment, and handcrafted Ikebana-style gifts. This participation reflects the Fund's efforts to promote Saudi Arabia's cultural identity, stimulate innovation, and attract global investment in the handicrafts sector, supporting the objectives of Vision 2030.







## The Saudi Cultural Development Fund Launches Nama' Accelerators in Partnership with the Ministry of Culture and Quality of Life Program, Starting with the Handicrafts Track

The Saudi Cultural Development Fund (CDF) announced Nama' Accelerators, the first of its kind in the Kingdom, in partnership with the Ministry of Culture and the Quality-of-Life Program, one of Vision 2030 realization programs. The accelerators are designed to enable the sustainable growth of cultural businesses through comprehensive training and development opportunities that culminate in financial incentives. Nama' Accelerators aims to amplify the economic, social, and creative impact of the 2025 Year of Handicrafts, and to enable sector stakeholders to enhance and expand their cultural projects and businesses.

## Minister of Human Resources and Social Development Witnesses Signing of Four Developmental Agreements in Qassim Region

His Excellency Engineer Ahmed Al-Rajhi, Minister of Human Resources and Social Development, oversaw the signing of four developmental agreements by the Social Development Bank in Qassim, involving the Qassim Municipality, the Chambers of Commerce in Qassim and Al-Rass, and Suleiman Al-Rajhi University. These agreements aim to support freelancing and empower entrepreneurs and small enterprises through financing and qualification programs. This initiative is part of the Bank's ongoing commitment to fostering sustainable economic and social development. The volume of financing provided to the region has exceeded SAR 8 billion, benefiting more than 178,000 citizens across social finance and entrepreneurship sectors.



## First International Floating Franchise Exhibition Launches in Jeddah

The inaugural International Floating Franchise Exhibition commenced in Jeddah, gathering entrepreneurs, investors, and renowned Saudi and international brands. The event aims to support the expansion of Saudi brands domestically and globally while enhancing investment in the franchising sector. The exhibition opened with an introductory video about the National Franchise Committee, which has launched three key initiatives including the establishment of a national company to support export franchises and an investment fund to back Saudi brands internationally. The event also featured signing memoranda of understanding with the Social Development Bank, the Small and Medium Enterprises General Authority (Monshaat), and the Restaurant and Café Owners Association to foster sector integration and support. The exhibition will run for three days aboard the "Aroya Cruise."



## "Asamyoon" Announces Winners of Its Sixth Season for Best Entrepreneurial Projects

The Mohammed Ibrahim Al-Subaie Entrepreneurship Support Initiative "Asamyoon" honored the winners of its sixth season for 2024 at a ceremony held at the King Abdullah Financial District (KAJD). The event was attended by leaders from the Small and Medium Enterprises General Authority (Monshaat), the Saudi Industrial Development Fund, Social Development Bank, Riyadh Chamber of Commerce, Code Entrepreneurship Center, Dalni Business Center, Al-Ahsa Chamber, Ras Mal Company, Intiqal Company, and Sadeed Cooperative Association for Business Consultancy, along with various partners supporting the award categories.

# SME Bank

بنك المنشآت الصغيرة والمتوسطة  
Small & Medium Enterprises Bank

**SMEs Become a Key  
Economic Player in  
Vision 2030, Contributing  
22% to GDP**

### How Was This Achieved?

Small and medium enterprises (SMEs) in Saudi Arabia have emerged as a pivotal driver of economic transformation, underpinning private sector growth, employment, innovation, and entrepreneurship. This progress aligns with the targets of Vision 2030, which prioritizes the development of this sector through multiple strategic factors highlighted by the Financial Analysis Unit at "Al-Eqtisadiyah."

On the government programs front, total financing provided through SME Bank programs has exceeded SAR 28 billion, benefiting 4,885 enterprises. In 2024 alone, the bank has disbursed approximately SAR 1 billion by July, signaling rapid expansion of its financing role within a short timeframe.





# ثمانية



How Did Saudi Arabia Save South Korea's Economy?



Guaranteed Financing Initiative



Does the Saudi Architecture Project, Based on 19 Local Architectural Styles, Limit Creativity and Make City Buildings Mere Copies of Each Other?



Four Sectors Targeted by the "Kafalah" Initiatives in Cooperation with the National Development Fund



## NDF Internal Events:



July 1, 2025

### Time-Travel with the "I'm Al-Madina" film

In celebration of the new Hijri year 1447H

[Click Here to Watch](#)



June 15, 2025

### Celebrating Eid Al-Adha



## Key Ecosystem Participations:

June 25, 2025

### Agriculture Development Fund and Tourism Development Fund

Participate in the Najran Investment Forum



June 3, 2025

### Cultural Fund

Launching The Year of Handicraft and local brands at Selfridges, London







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