

KHUTA

A Monthly Newsletter Published by the
Development Ecosystem in the Kingdom



Strategic Partnerships: The Key to Sustainable Development

Towards the Future of Development

13th Edition

Contents

3

Development Brief



5

Feature Story



6

Our Economy



8

From the Funds



15

Inspiring Moments



16

Events of the Month



مصرف الراجحي
alrajhi bank



anb

NDF Signs Credit Facility Agreements Worth SAR 5 billion

The **National Development Fund (NDF)** has announced the signing of two credit facility agreements with Al Rajhi Bank and Arab National Bank, amounting to SAR 5 billion. The agreements aim to enhance support for development projects across the Kingdom and to empower the fund's 12 affiliated development funds and banks in achieving their objectives, accelerating national transformation, and driving economic growth.

The signing ceremony was held at the NDF headquarters in the presence of Dr. Stephen Paul Groff, Governor of the Fund, and Vice Governor Khalid Shareef. Representing the NDF was Senior Executive Director of Treasury, Mohammed Elyas, who signed the agreement with Badr Al-Kaabi, Acting General Manager of Corporate Banking at Al Rajhi Bank. For the agreement with Arab National Bank, NDF was represented by Mohammed Al-Ajroosh, Director of Capital Markets and Foreign Exchange, while Bandar Al-Aqeel, Head of Vision Realization Office, represented the bank.



NDF Launches Phase Three of the “Collaborative Customer Experience” Program

As part of the third phase of the “Collaborative Customer Experience” program, the **National Development Fund (NDF)** organized a specialized workshop on customer journey design. The workshop brought together 40 representatives from customer experience teams across the Fund’s 12 affiliated funds and development banks.

This initiative reflects NDF’s commitment to unifying service delivery concepts and practices, promoting a culture of excellence, and improving beneficiary experiences.

The workshop provided participants with both theoretical and practical insights into customer journey design, seen as a key tool for understanding user needs and enhancing service outcomes. It focused on three core phases, starting with establishing a solid knowledge base, simplifying the concept of the customer journey, and reviewing frameworks and methods suitable for governmental contexts in the Kingdom.





Strategic Partnerships: The Key to Sustainable Development

Considering rapid economic transformations, it has become essential to adopt an integrated approach that enhances the effectiveness of development efforts and ensures sustainable impact. Today, strategic partnerships are among the most powerful tools for achieving inclusive development due to their ability to boost institutional efficiency and create long-term economic and social impact.

Since its inception, the National Development Fund has embedded the principle of collaboration at the heart of its strategy, based on the belief that partnerships are essential to generating sustainable development outcomes. In alignment with this approach, the Fund has cultivated high-impact partnerships with public, private, and nonprofit sectors to unify efforts, improve funding efficiency, and expand access to resources and expertise in a fast-evolving economic landscape.

Strategic partnerships also enable the Fund to focus efforts on priority sectors by supporting development projects that generate tangible value for the national economy, especially in industrial transformation, entrepreneurship enablement, digital transformation acceleration, and local content development.

Coinciding with World Entrepreneurship Day on August 21, we emphasize the vital role strategic partnerships play in supporting and empowering

entrepreneurs. By building strong alliances across sectors, the Fund contributes to creating an enabling ecosystem that facilitates entrepreneurs' access to financing, reflecting its commitment to promoting entrepreneurship as a core driver of sustainable development in line with Saudi Vision 2030.

In 2024, the Fund concluded its international roadshows across Europe and Asia, visiting 10 global financial centers. These tours included meetings with seven development finance institutions, 37 financial institutions, commercial banks, private sector companies, and academic institutions. The roadshows aimed to strengthen NDF's international presence and build strategic partnerships to increase investment attractiveness in Saudi infrastructure projects, reduce risk, and deepen public-private cooperation.

These partnerships have led to the launch of impactful development programs and initiatives, empowering individuals, and SMEs, fostering innovation, and supporting promising emerging sectors, all aligned with Vision 2030's goals for a diversified and sustainable economy.

Moreover, the strategic agreements signed by NDF and its affiliated development funds and banks (the development ecosystem) have facilitated access to finance, introduced flexible and innovative financial solutions, and activated non-financial support programs such as mentoring, training, and capacity building. These efforts have cultivated an integrated development environment that fosters growth and opportunity, particularly within the entrepreneurial community.

These partnerships also emphasize knowledge transfer, exchange of expertise, and institutional capacity building, true manifestations of the Fund's vision to adopt a more inclusive and effective development model. Through the continued expansion of its strategic partnerships, NDF remains a key player in supporting the national economy, driving comprehensive development efforts, and building a prosperous future for coming generations.

The strategic alliances NDF has formed, with their synergy of resources and expertise, create fertile ground for entrepreneurship, enabling broader opportunities for innovation and growth.

As the Fund's collaborative network continues to grow, the development ecosystem becomes better equipped to nurture entrepreneurial projects and transform them into success stories that contribute to diversifying the economy and generating quality opportunities. Within this consistent development approach, entrepreneurship stands out as a fundamental pillar in driving sustainable and inclusive progress.



IMF: Saudi Economy to Grow by 3.5% in 2025

The International Monetary Fund (IMF) raised its forecast for Saudi Arabia's GDP growth in 2025 to 3.5%, up from 3.0%. The increase is attributed to factors such as rising demand for government-led projects and support from the OPEC+ alliance's plan to gradually phase out oil production cuts.

The Kingdom is expected to post a fiscal deficit of approximately USD 27 billion this year. Nonetheless, the Saudi government remains committed to its ambitious economic transformation program, Vision 2030, which aims to reduce the economy's dependence on oil revenues.

Under this initiative, Saudi Arabia has heavily invested in the sports, tourism, and entertainment sectors in recent years.

Despite lower oil prices, economic growth is projected to remain strong due to government spending and increased domestic demand.

The IMF report noted: "Strong domestic demand, including that driven by government-led projects, will continue to fuel growth despite global uncertainty and weaker commodity price forecasts".



SAR 3.7 billion Market Fueling Local and Global Demand

The salt industry in Saudi Arabia is experiencing remarkable growth, supported by the Ministry of Industry and Mineral Resources, which has issued investment licenses for exploration and production.

By mid-2025, 27 national factories are producing what is known as "white gold," with a combined market value exceeding SAR 3.7 billion. Raw salt is being exported to over 16 countries, both regionally and globally.

Natural salt reserves are found in coastal sabkhas (salt flats) along the Arabian Gulf, with Ras Al-Qurayyah sabkha in Buqayq being one of the most prominent, producing pure surface salt extending to depths of up to 5 meters.

Salt is extracted through evaporation of seawater and from rocks and mines, and is used in food, pharmaceutical, and petrochemical industries.

Mining experts distinguish between two main types of salt in the Kingdom: Rock salt (from seawater), and Standard salt (from evaporated groundwater).

These types vary in quality and production capacity. The Saudi Vision 2030 framework gives high priority to the mining sector as a cornerstone of national economic diversification.





Fitch Affirms Saudi Arabia's Strength: 'A+' Credit Rating with Stable Outlook

Fitch Ratings has affirmed Saudi Arabia's credit rating at A+ with a stable outlook, commending the Kingdom's economic resilience and reform momentum under Vision 2030.

The agency highlighted that foreign currency reserves cover 12.8 months of external payments, indicating a strong financial position.

The report also noted:

- The non-oil private sector now contributes 56% of GDP.
- The non-oil economy is growing at an annual rate of 4.5%, driven by mega projects and reforms.
- The decision to allow foreign ownership of real estate boosts investor confidence and creates new opportunities.

Fitch emphasized that current policies support Saudi Arabia's position as an emerging economic powerhouse.

الهيئة العامة للإحصاء
General Authority for Statistics



General Authority for Statistics: 6.0% Rise in Non-Oil Exports in May 2025

The General Authority for Statistics released the International Trade Bulletin for May 2025, showing that non-oil exports (including re-exports) rose by 6.0% to SAR 31.1 billion, compared to May 2024.

Total merchandise exports amounted to SAR 90.4 billion, while imports increased by 7.8% to SAR 80.9 billion.

Top non-oil exports included electrical machinery and equipment, valued at SAR 7.4 billion (23.7% of total). The same category also topped the import list with SAR 24 billion (29.7% of total).

China remained the Kingdom's largest trading partner, with exports to China at SAR 12.7 billion (14%) and imports from China at SAR 23.4 billion (28.9%).

The data is based on information from the Zakat, Tax and Customs Authority and the Ministry of Energy, compiled according to the 2022 Harmonized Commodity Description and Coding System.



The Saudi Fund for Development Delivers 129 Housing Units in Tunisia

Saudi Arabia's Ambassador to Tunisia, Dr. Abdulaziz bin Ali Al-Saqr, alongside Tunisian Minister of Equipment and Housing, Salah Al-Zouari, oversaw the handover of 129 housing units funded by the **Saudi Fund for Development (SFD)** in the Sousse Governorate, south of the Tunisian capital.

Minister Al-Zouari expressed gratitude to the Kingdom for its consistent support, noting that the project will benefit low-income families.

Ambassador Al-Saqr congratulated the

recipient families and reaffirmed Saudi Arabia's commitment to supporting Tunisia's growth and development across various sectors.

This marks the first phase of a broader project across several Tunisian provinces, which includes the provision of 4,715 social housing units, financed by the SFD through a concessional loan worth USD 150 million.

The Saudi Fund for Development Signs Two Development Loan Agreements Worth USD 32 Million to Support Social Infrastructure in Bosnia and Herzegovina

The CEO of the **Saudi Fund for Development (SFD)**, Sultan bin Abdulrahman Al-Marshad, signed two development loan agreements with the Minister of Finance and Treasury of Bosnia and Herzegovina, Srdjan Amidžić, amounting to USD 32 million.

The financing includes: USD 19 million for the Science and Technology Oasis Project, and USD 13 million for the construction and equipping of student housing at the Public Institution "Borisa Starović" in Foca.

The signing ceremony was attended by Saudi Ambassador to Bosnia and Herzegovina, Osama bin Dakheel Al-Ahmadi.

These agreements reflect the nearly 30-year development partnership between the two nations.

The Science and Technology Oasis Project aims to establish a multidisciplinary science hub over an estimated area of 200,000 square meters, to foster innovation in technology, healthcare, economic development, and higher education. The center will serve as a collaborative platform for researchers, scientists, and entrepreneurs.

The student housing project is designed to support the educational sector and increase university enrollment by offering better living conditions—thereby contributing to learning opportunities and community development.





Opens Registration for Fourth Cohort of “Tourism Olou” Graduate Program

The **Tourism Development Fund (TDF)** has launched registration for the fourth edition of its flagship program “Tourism Olou”, targeting promising university graduates from both local and international institutions.

The program is designed to prepare young talent for careers in the tourism sector, one of the key pillars of Saudi Vision 2030.

Implemented in collaboration with IE University in Spain, the program combines theoretical training with practical on-the-job experience, tailored to the evolving needs of both the local and international tourism markets.

Launches Three New Programs to Empower Startups and Entrepreneurs in the Tourism Sector

The **Tourism Development Fund (TDF)** has announced the launch of three innovative programs to support entrepreneurs and startups, including: Tourism Growth Incubator, Tourism Hackathons and Bootcamps as well as Tourism Growth Accelerator.

These initiatives will be delivered through the TDF Grow Center, the Fund’s non-financial support arm.

The launch aligns with TDF’s strategy to engage closely with tourism entrepreneurs and investors, aiming to build a sustainable and integrated tourism ecosystem.



Deposits SAR 1.051 billion in July Housing Support Program

The **Real Estate Development Fund (REDF)** has deposited SAR 1.051 billion into the accounts of beneficiaries under the Housing Support Program for July 2025.

The amount covers profit subsidies for various housing finance contracts, reinforcing the fund’s objective to enhance homeownership affordability and fulfill the goals of the Housing Program, part of Vision 2030.

REDF confirmed its ongoing work with financial institutions and real estate developers to deliver innovative solutions that facilitate accessible and diverse homeownership options.

Extension of “Affordable Mortgage” Program Reaffirms Leadership’s Commitment to Homeownership

The **Real Estate Development Fund (REDF)** has welcomed the Cabinet’s decision to extend the “Affordable Mortgage” program for an additional three years, emphasizing the government’s dedication to supporting Saudi families in acquiring their first home.

REDF spokesperson Saeed Al-Zahrani stated that the program helps reduce the upfront down payment from 10% to 5%, easing the financial burden and facilitating access to homeownership for beneficiaries under the housing support initiatives.



Saudi Export Development Authority Organizes Trade Mission to Brazil

The Saudi Export Development Authority is organizing a trade mission to the Federative Republic in São Paulo.

The mission includes participation from the **Saudi EXIM Bank** and 20 leading national companies across key sectors such as: Building materials, Food and beverages, Packaging, ICT, Logistics, Professional and consulting services, and Other high-value sectors.

The objective is to explore trade opportunities and connect Saudi exporters with Brazilian importers, thereby expanding export channels for Saudi goods and services in Brazil and the wider South American market.



Jazan Governor Reviews 2024 Annual Report of Agricultural Development Fund Branch

HRH Prince Mohammed bin Abdulaziz bin Mohammed bin Abdulaziz, Deputy Governor of Jazan Region, received the General Manager of the **Agricultural Development Fund's (ADF)** regional branch, Eng. Fawaz Zaqaan, and other staff members.

The Prince reviewed the 2024 Annual Report, including ADF's performance during the first half of 2025 in issuing development loans to farmers, fishermen, and major investors in the region.

These efforts aim to enhance food security and promote self-sufficiency through financing local production and leveraging Jazan's comparative advantages—fully aligned with Vision 2030 targets.

Prince Mohammed commended the Fund's initiatives to support rural development, agricultural marketing, and lending programs, and emphasized the importance of strengthening ADF's role in the region.

Agricultural Development Fund Participates in the 2025 International Day of Cooperatives Exhibition

The **Agricultural Development Fund (ADF)** participated in the 2025 International Day of Cooperatives Exhibition, held in Riyadh from July 3 to 6, 2025, and organized by the Council of Cooperative Societies in collaboration with the Ministry of Human Resources and Social Development.

ADF's participation focused on showcasing its role in promoting cooperative work by providing financial support to agricultural cooperatives across the Kingdom.

The Fund highlighted its key products and services, including financing for poultry slaughterhouses, cold storage warehouses, marketing centers, olive and sesame oil presses, beekeeping and honey production, aquaculture projects, as well as agricultural product factories (e.g., dates, vegetables, fruits) Operational development loans, Veterinary services, and Agricultural product import programs.

This initiative is part of ADF's broader efforts to enhance cooperative models, support sustainable agricultural development, and achieve food security. Since its inception, the Fund has provided approximately SAR 952 million in financing to 56 agricultural cooperative societies across various regions by the end of 2024.



Inspiring models of cultural entrepreneurship shine at Expo 2025 Osaka, empowered by CDF

As part of its participation in the Kingdom of Saudi Arabia's Pavilion at Expo 2025 Osaka, the **Cultural Development Fund (CDF)** hosted a dialogue session titled:

"The Art of Play: Enhancing Culture in Learning Environments through Creativity."

The session showcased success stories of cultural entrepreneurs supported by the Fund, including Dr. Mohammed Al-Hussein (Muzn Company), and Dr. Wafaa Al-Sabeel (Kan Yama Kan Library).

The discussion explored the intersection of culture and technology in education and quality of life, emphasizing the Fund's commitment to supporting cultural projects with creative and social impact.

This participation, which runs through October 2025, aims to promote Saudi cultural identity, encourage entrepreneurship in the cultural sector, and to attract investment in line with Vision 2030 objectives.



Social Development Bank Launches "Education Financing" Product to Support Academic Journeys

The **Social Development Bank (SDB)** has launched the "Education Financing" product, designed to help students continue their studies beyond high school through digital financing solutions.

The product targets diploma, bachelor's, and master's students, and seeks to Expand access to knowledge, provide financial support to ambitious students, Integrate educational and financial services through a unified digital platform.

The platform streamlines eligibility verification and disbursement, allowing students to submit and complete their applications easily.

Key features include a maximum financing of SAR 100,000, disbursed in lump sum or installments, depending on the program, fully digital process, as well as adhering to high standards of governance and data integration.

بنك التنمية الاجتماعية
SOCIAL DEVELOPMENT BANK





Social Development Bank Participates in Expo 2025 in Osaka, Japan

The **Social Development Bank (SDB)** is part of the Kingdom's official delegation at Expo 2025 in Osaka, Japan, taking place from July 8 to 17, 2025 under the supervision of the Ministry of Culture.

SDB's presence is centered around a welcoming interactive space within the Saudi pavilion, "Wonder of Arabia," the first point of contact for visitors. The space reflects Saudi Arabia's cultural and economic identity, blending traditional heritage with modern interactive design to deliver a rich visitor experience.

The display embodies the Kingdom's commitment to openness and innovation, reinforcing Saudi Arabia's global positioning in development and culture.



المملكة
السعودية
سعودية

سعودية
KINGDOM OF SAUDI ARABIA
EXPO 2025 OSAKA

Ministry of Industry and Mineral Resources Hosts Workshop on Critical Minerals for Energy Transition



The Ministry of Industry and Mineral Resources, in cooperation with Benchmark Mineral Intelligence, held a workshop focused on: Best practices in sustainable mining, Factors influencing demand for critical minerals in the energy transition and The latest mineral extraction technologies. Participants included representatives from Ministry of Investment, National Industrial Development Center, Royal Commission for Jubail and Yanbu, **Saudi Industrial Development Fund (SIDF)** and Public Investment Fund (PIF).

The workshop, attended by Deputy Minister for Mining Development, Eng. Turki Al-Babtain, covered key demand drivers such as: Growth in electric vehicles (EVs), Energy storage systems, EV charging infrastructure, and Renewable energy.

The discussion also addressed regulatory developments in global markets and how major manufacturers are adapting to these changes.





Approximately 75% of market turnover is attributed to retail investors



Saudi Opens Doors to Foreign Buyers



Key External Engagements:



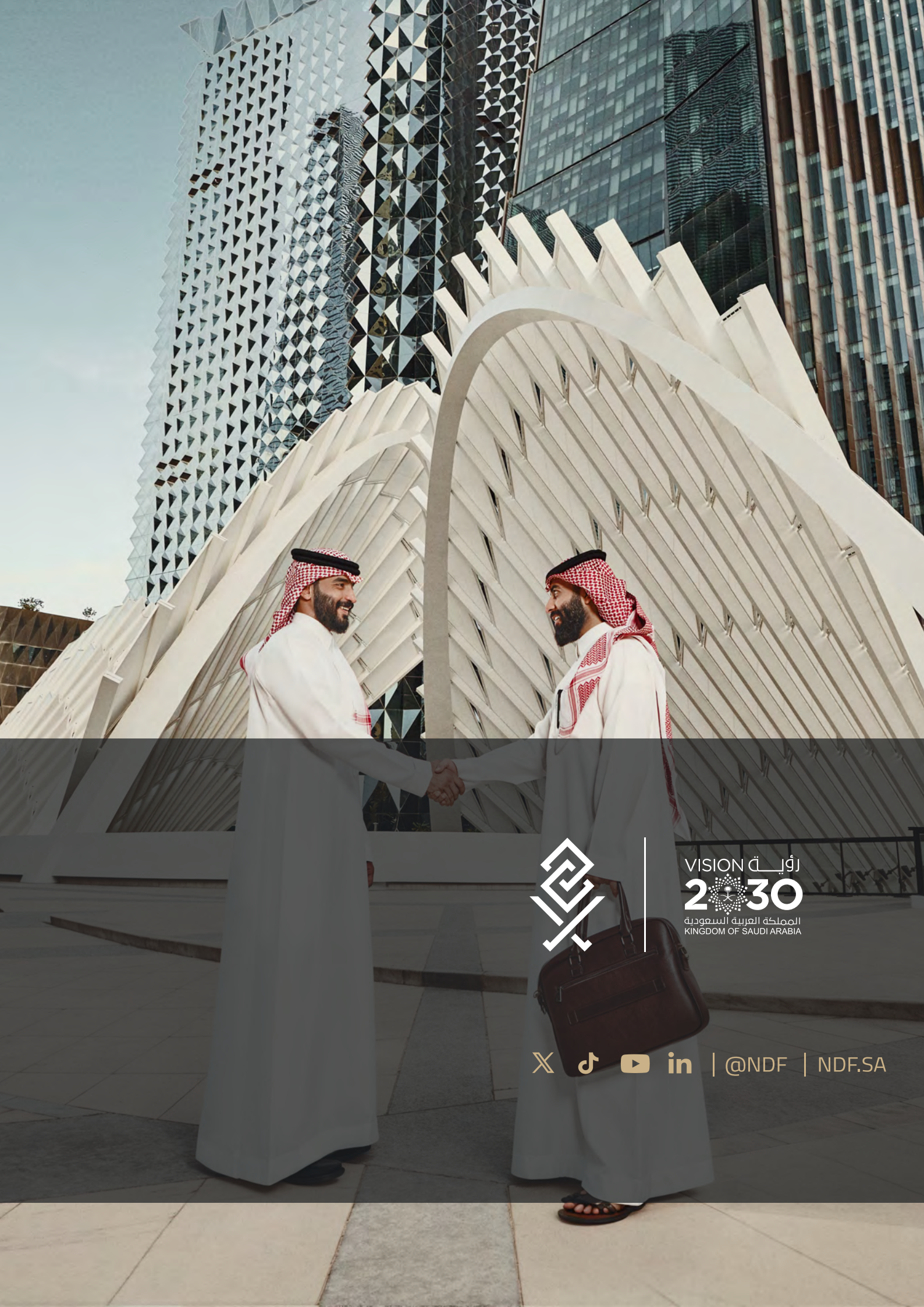
UN High-Level Political Forum on Sustainable Development Goals (HLPF)

Participation in the UN HLPF as part of the Saudi delegation, showcasing 50 years of development efforts and international partnerships.

Sustainable Finance Award

Kafalah program wins Best Institution in Sustainable Finance in Saudi Arabia from The Digital Banker





رؤية
2030
المملكة العربية السعودية
KINGDOM OF SAUDI ARABIA

X d y in | @NDF | NDF.SA