



صندوق أبوظبي للتنمية
ABU DHABI FUND FOR DEVELOPMENT



THE ARAB FUND

Secretariat of the Arab Coordination Group



AFESD: Hosts the Coordination Secretariat of the ACG

- **The Coordination Group** of the National and Regional Development Institutions, the IsDB and OFID, established in the mid-1970's to:
 - Achieve the **optimum utilization of the resources of members of the group** to serve the development of beneficiary countries through funding of vital projects.
 - **Coordination of studies and joint evaluation of projects**, and achievement of convergence of systems and uniformity in procedures.
 - Cooperation in the **exchange of information on projects** and development plans, and coordination of international and regional **financing cooperation with institutions**.



The Developmental Role Played by the Members of the Arab Co-ordination Group (ACG)

First: Aid Provided by Organizations within the GCC

	Africa	Asia	Latin America	Total
Saudi Fund	150	236	-	386.1
Kuwait Fund	124.9	213	102	439.4
Abu Dhabi Fund	153.3	16	15	184.3
Total	428.2	465	117	1009.8

Figures in million USD; time period: 01/01/2015 – 31/12/2015



The Developmental Role Played by the Members of the Arab Co-ordination Group (ACG)

Second: Aid Provided by Selected Regional Organizations

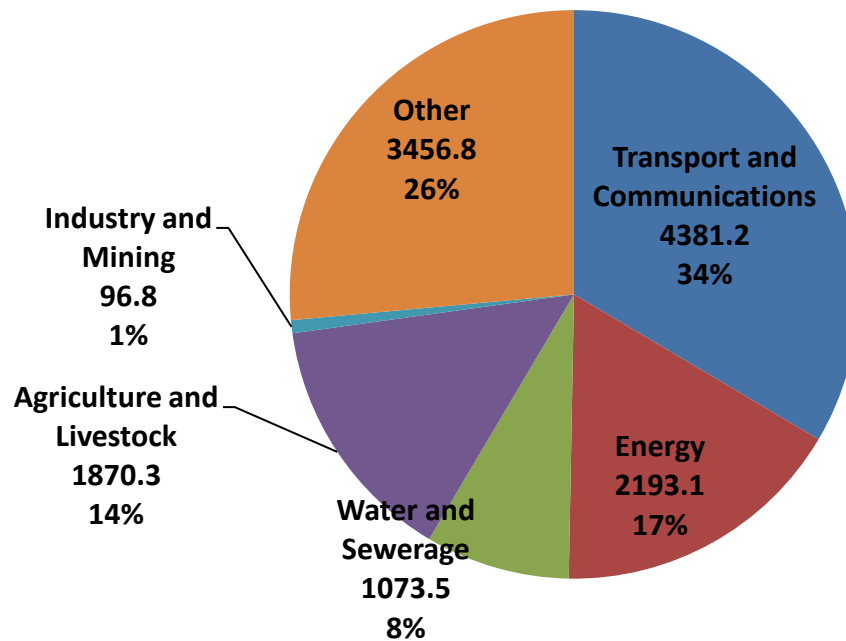
	Africa	Asia	Latin America	Total
IDB	3382	4923	37	8341.7
AFESD	-	-	-	-
OFID	506.7	524.5	342.9	1374.1
AMF	-	-	-	-
BADEA	363.7	-	-	363.7
Total	4252.4	5447	379.9	10080

Figures in million USD; time period: 01/01/2015 – 31/12/2015



How Africa Benefitted from Developmental Aid Provided by Members of the ACG

Sectoral Distribution

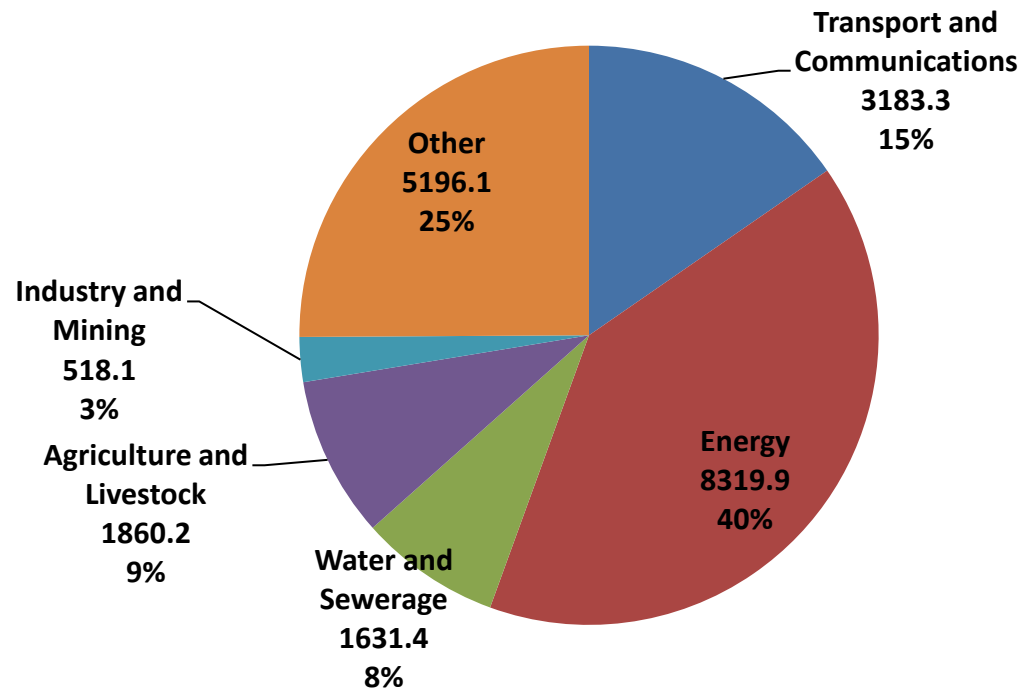


Over the period 2010-2015, African countries received \$13071.75 million in development aid.



How Asia Benefitted from Developmental Aid Provided by Members of the ACG

Sectoral Distribution

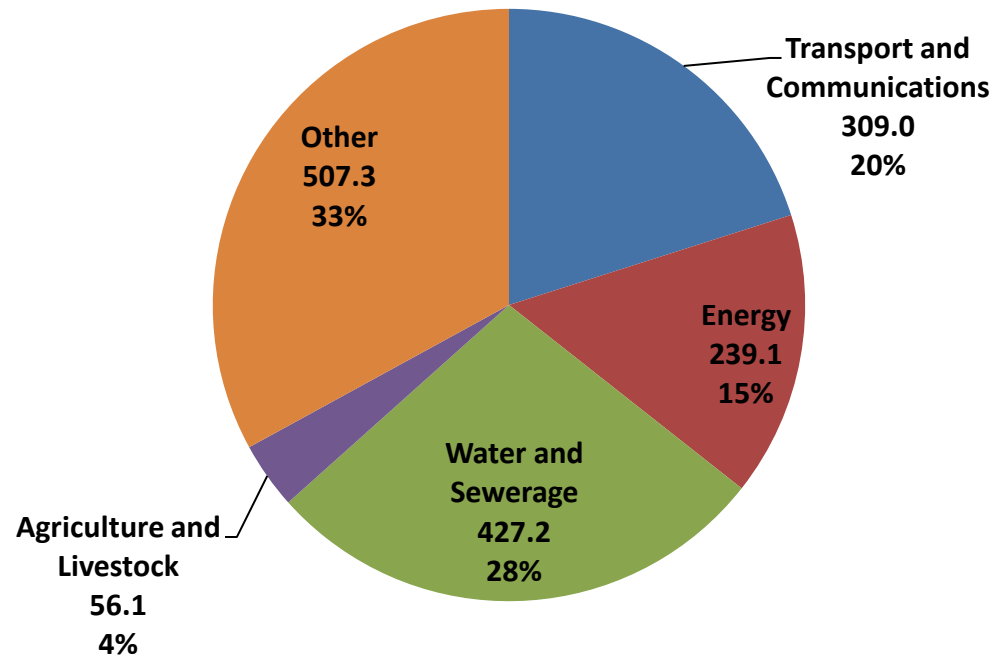


Over the period 2010-2015, Asian countries received \$20708.956 million in development aid.



How Latin America Benefitted from Developmental Aid Provided by Members of the ACG

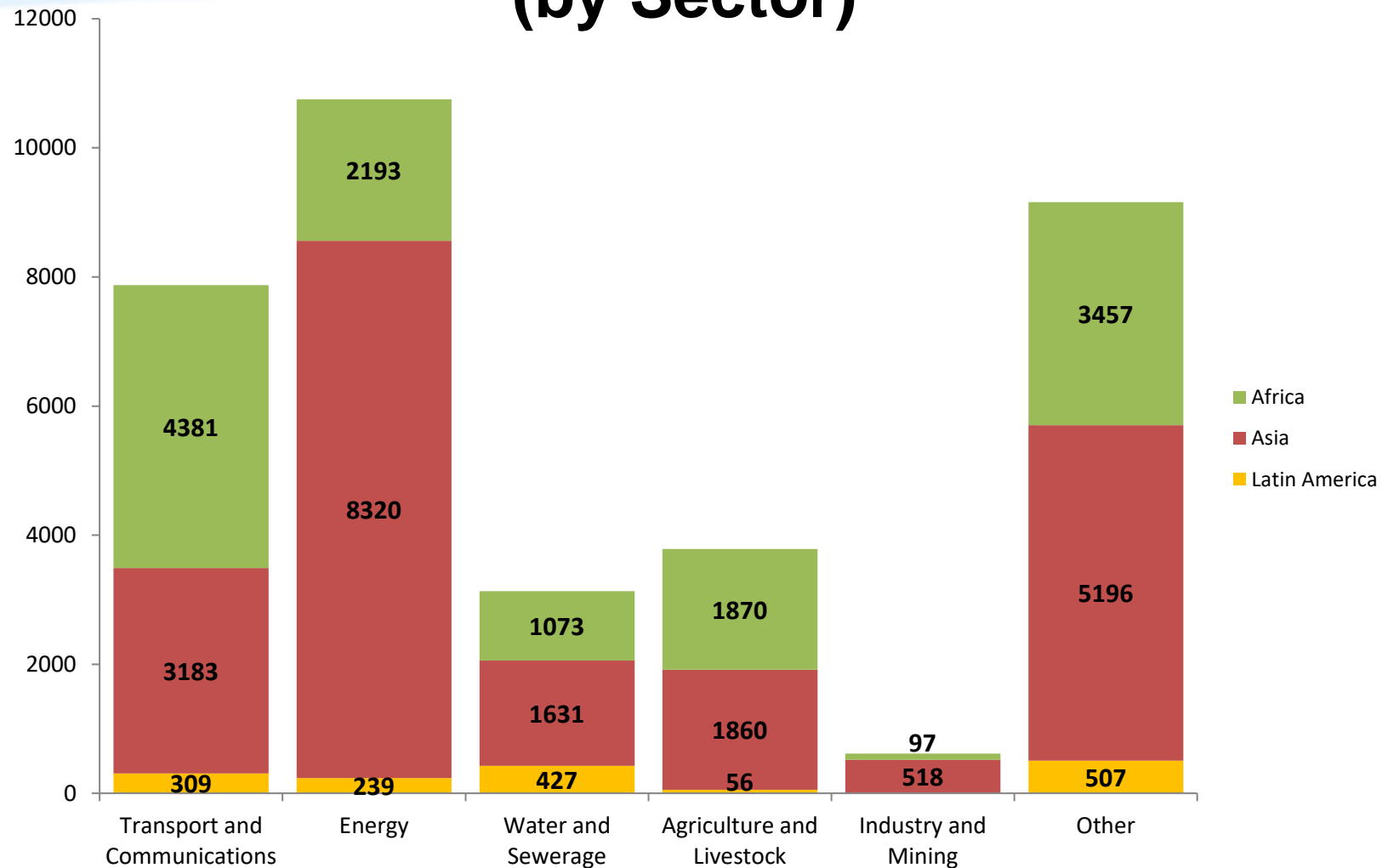
Sectoral Distribution



Over the period 2010-2015, Latin American countries received \$1538.753 million in development aid.



Distribution of Sectoral and Regional Development Aid (by Sector)



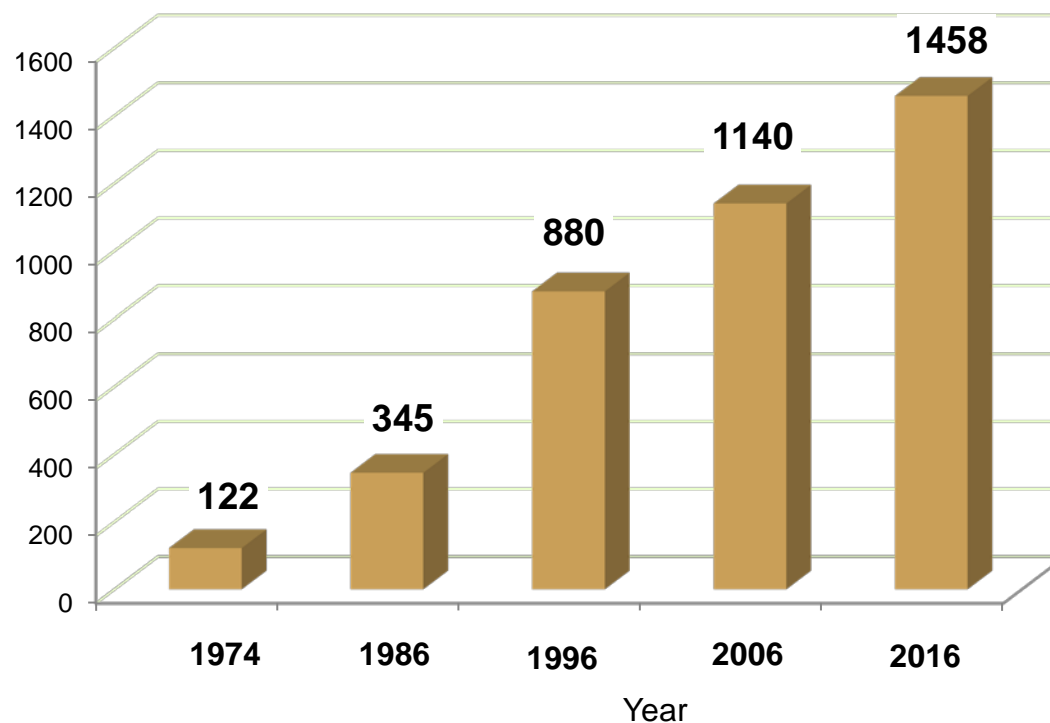
Figures in million USD; time period: 01/01/2010 – 31/12/2015



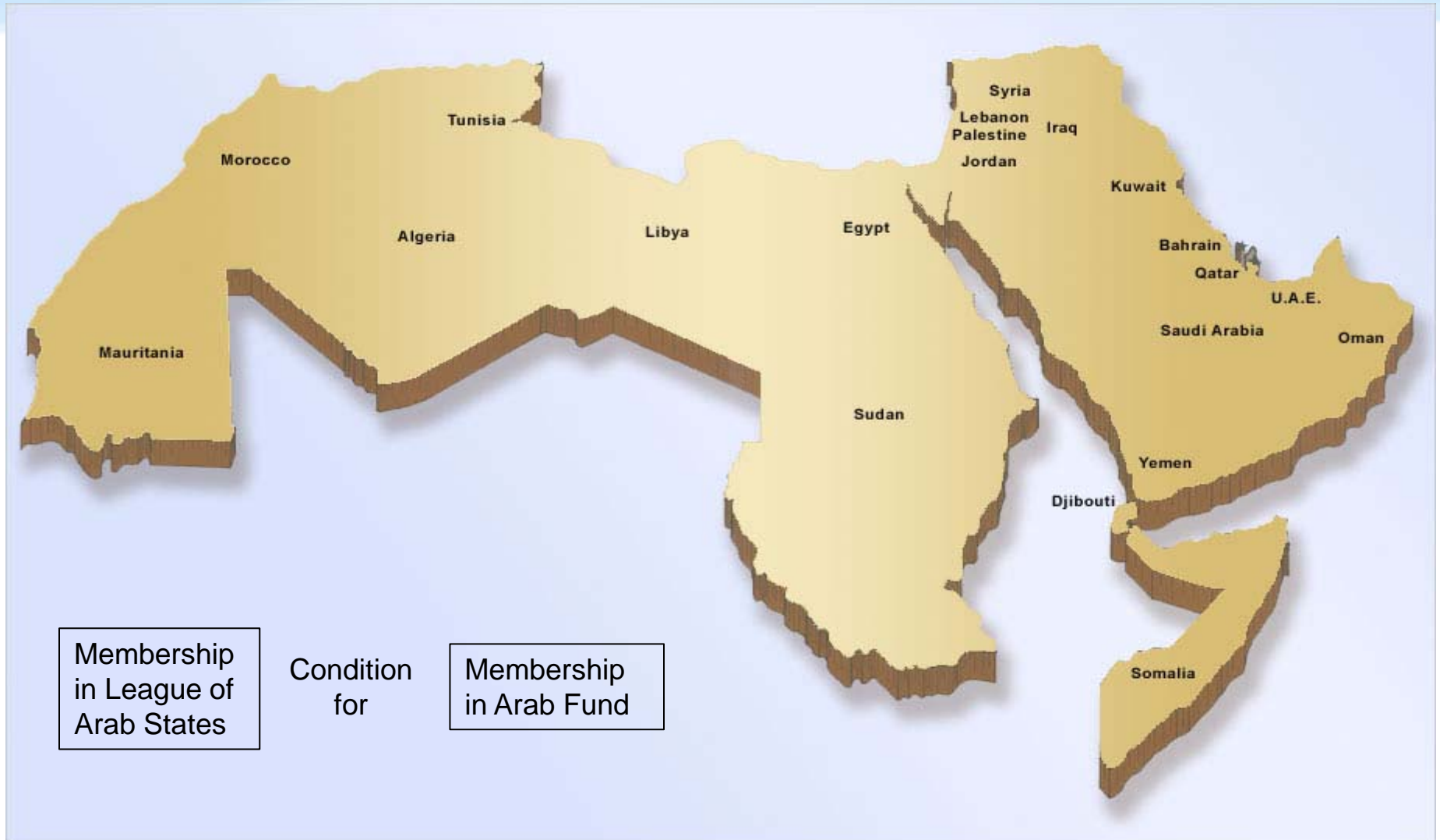
INTRODUCTION

- The Arab Fund for Economic and Social Development (“the Fund”) is an **autonomous regional Pan-Arab development financing organization**.
- The Fund commenced lending operations in early **1974**.

**Evolution of Loans
Signed by the Arab
Fund
(\$ Million)
During the Period
1974 - 2016**



MEMBERS OF THE ARAB FUND



THE ARAB FUND (AFESD)

- AFESD provides financing for economic development projects by **extending loans, on concessionary terms, to governments and public corporations** and enterprises of member states, giving preference to projects which are vital to the Arab World and *joint Arab projects*.
- AFESD also provides **grants** to Arab institutions and corporations.



PURPOSES OF THE FUND

- Contribute to the **financing of development projects** in the Arab countries
- Give preference to projects which are vital to the Arab World and **joint Arab projects**.
- Serve as a **catalyst for encouraging investment, directly or indirectly, of public and private capital** in a manner conducive to the development of the Arab economy.
- Provide **expertise and technical support** in the various spheres of economic and social development - **Grants**.



TERMS OF LOANS AND GRANTS PROVIDED BY THE ARAB FUND TO FINANCE **PUBLIC SECTOR** PROJECTS

Loans

	<u>Loan Period</u>	<u>Grace Period</u>	<u>Interest Rate</u>
Developed Countries	18 – 30 years	4 -7 years	2.5 %
Least Dvlpd. Countries	22- 30 years	5 –7 years	2.0 %



Number of Approved Loans

650

Number of Financed Projects

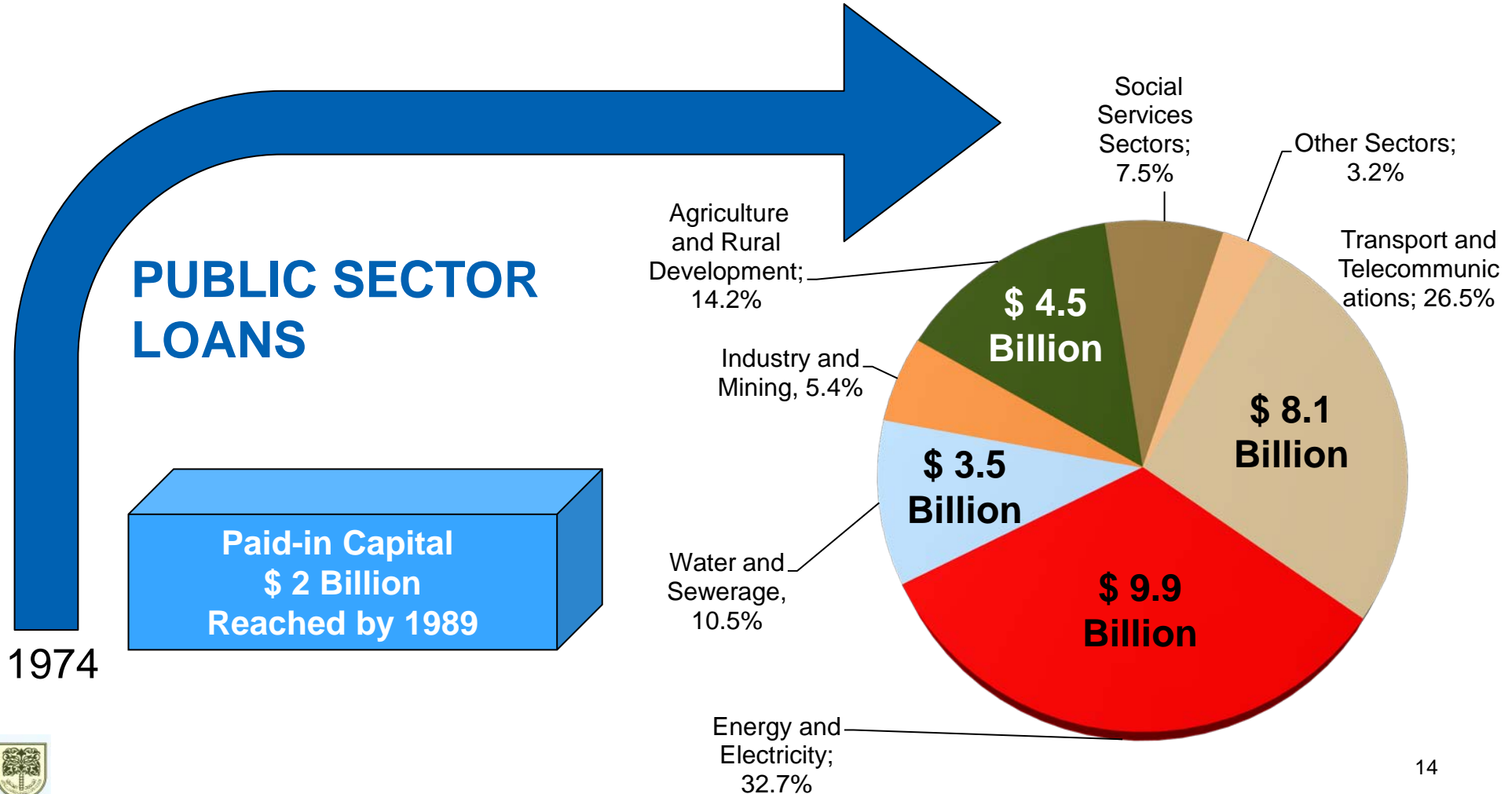
550

Cumulative Amount of Signed Loans

\$ 31 Billion (15 x Multiplier)

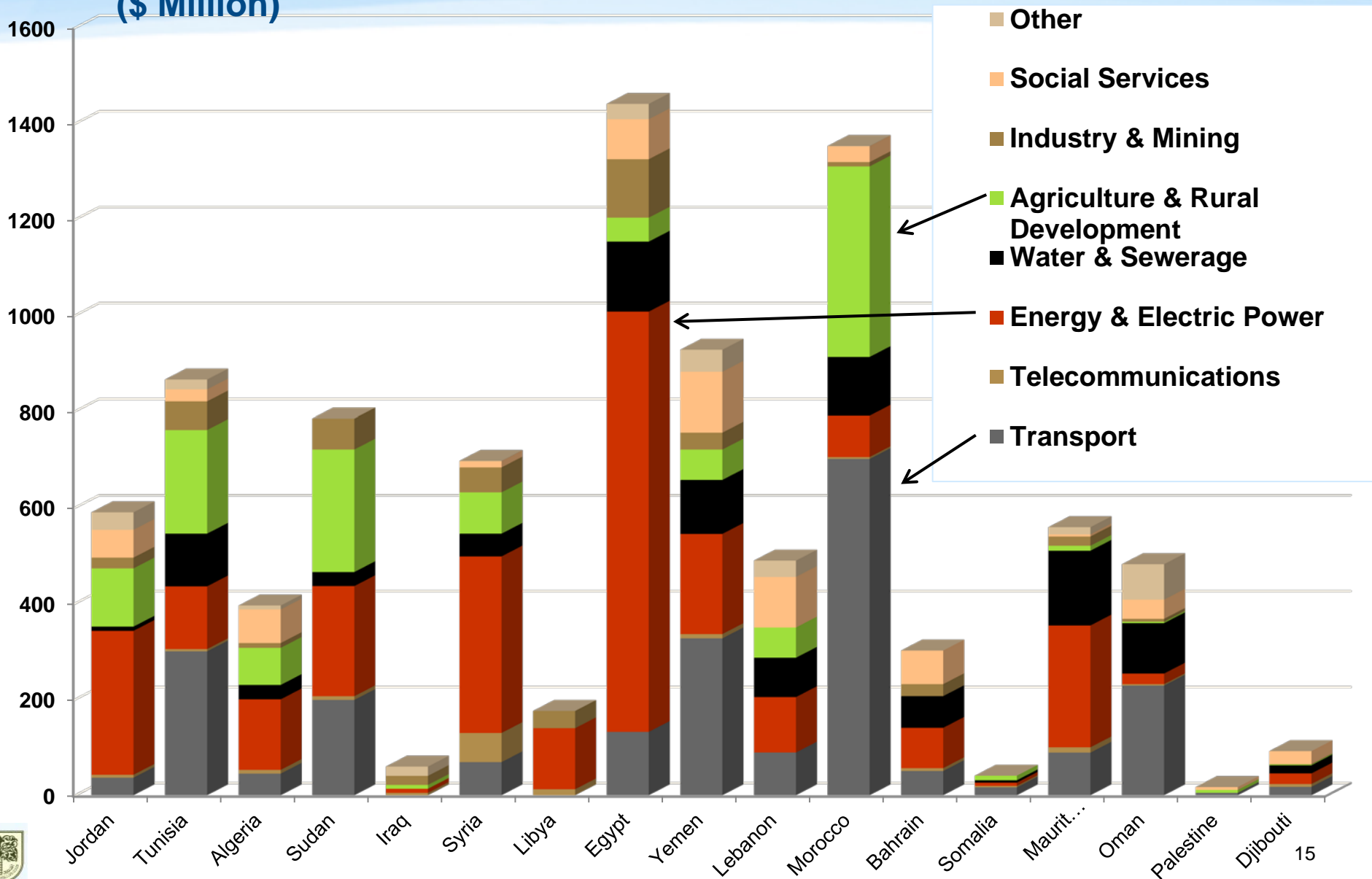
Cumulative Cost of Projects Financed

\$ 90 Billion (60 X Multiplier)



SECTORAL DISTRIBUTION OF LOANS AMONG BENEFICIARY COUNTRIES DURING THE PERIOD 1974 - 2016

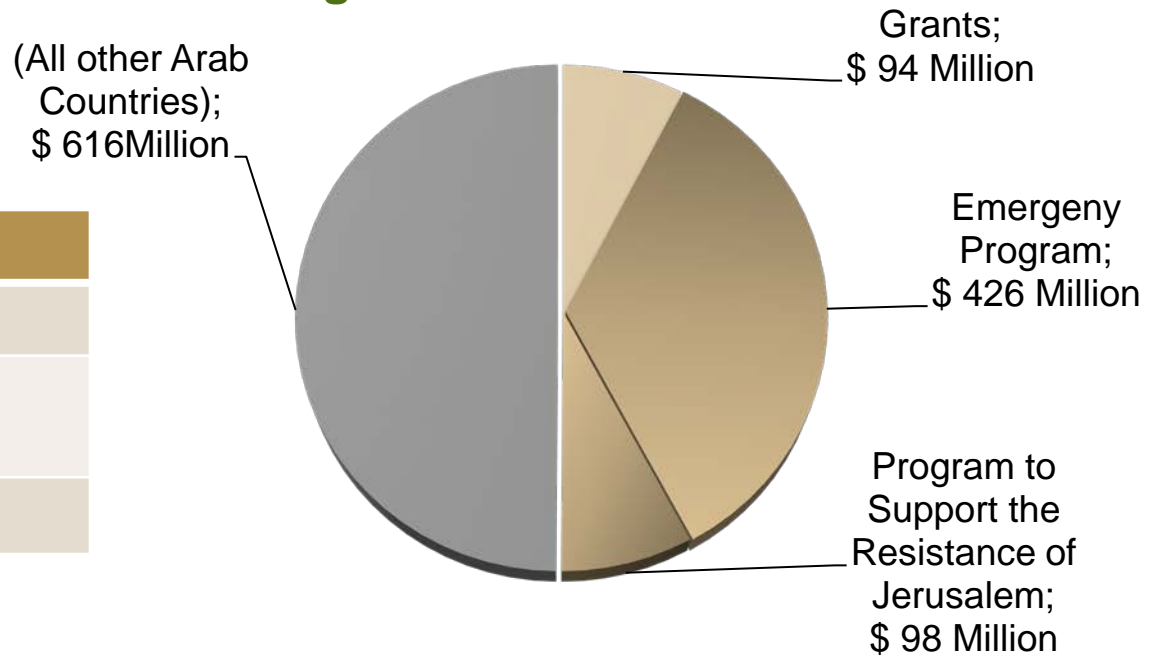
(\$ Million)



GRANTS

- **5%** of annual revenue in one year is allocated to Grants offered the next year.
- Over the last few years, the average amount of grants provided by the Arab Fund has been around **\$ 20 - \$ 30** Million.

Amount of aid to Palestine, compared to total amounts of grants to all other Arab countries



Cumulative (1974-2016)	\$ Million
Aid to Palestine	618
Grants to All Arab Countries	616
Total	1,234



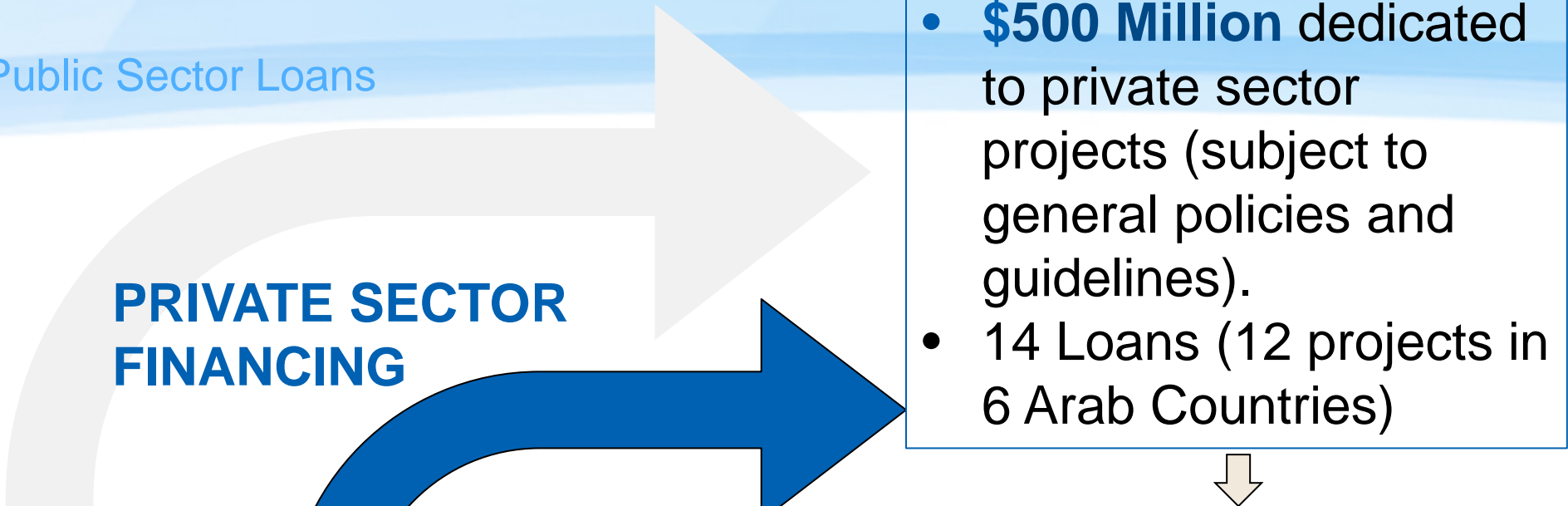
Public Sector Loans

PRIVATE SECTOR FINANCING

- **\$500 Million** dedicated to private sector projects (subject to general policies and guidelines).
- 14 Loans (12 projects in 6 Arab Countries)

1974

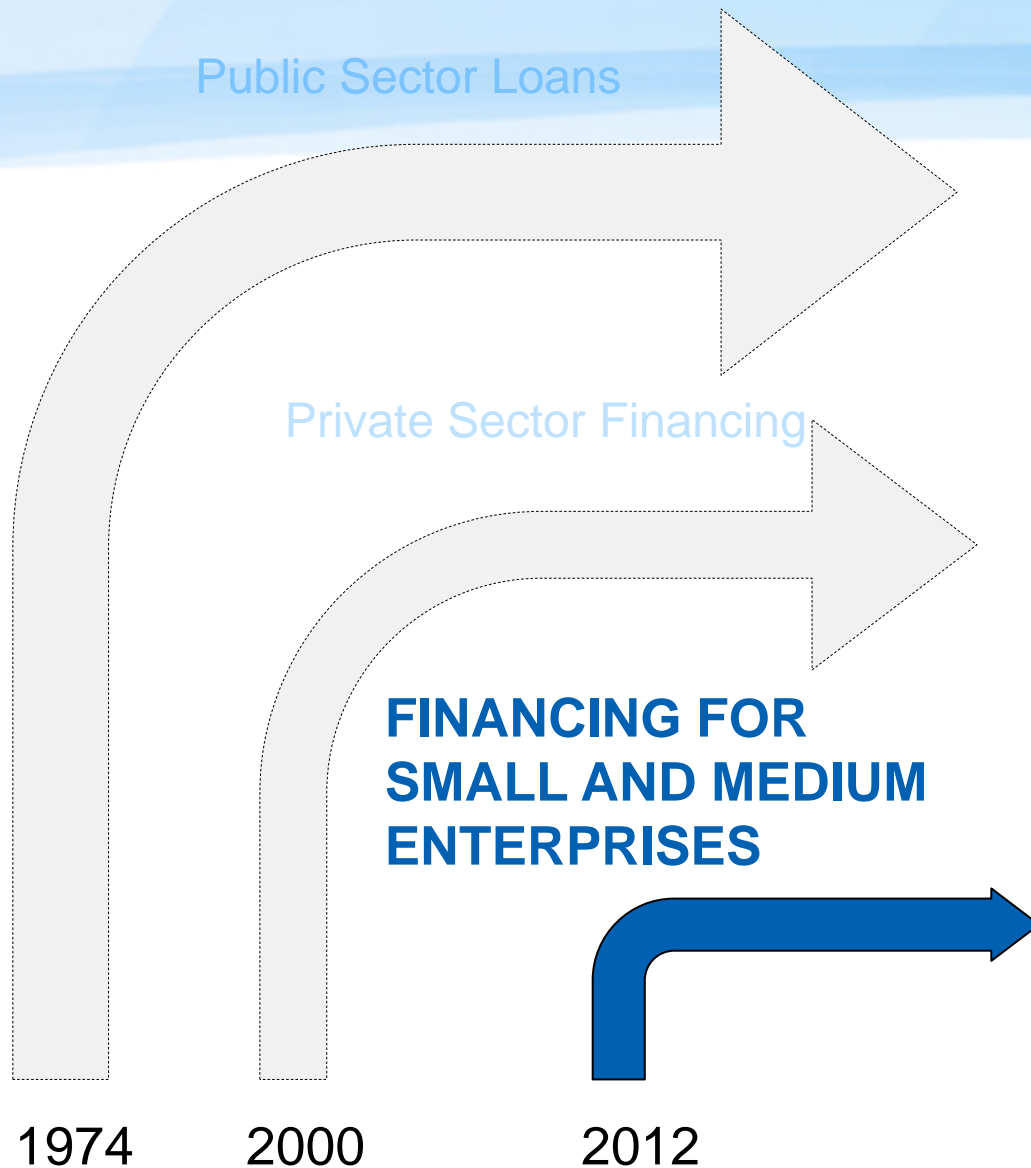
2001



Country	No. of Loans	Amount (Thousand USD)
BAHRAIN	1	9,990
JORDAN	1	14,985
MAURITANIA	1	3,330
SUDAN	1	9,250
EGYPT	1	11,655
YEMEN	9	137,280
TOTAL	14	186,490

Plus Equity in 7 Private Sector Companies and Participation in IFC Fund 135,000





- The Arab Fund has been entrusted to manage a \$2.0 Billion **Special Account Facility** to participate in the financing of small and medium size projects in the Arab World.
- Shareholders: 18 countries + AFESD- Totaling \$1.3 Billion
- Lending started 2012 (**32 Loans to 12 countries** and a loan to AG-Fund- Totaling \$1.1 Billion).



LANDMARKS IN AFESD LOANS OPERATIONS

- Financing **Inter-Arab Projects**: 68 loans for 32 major projects amounting to \$ 1.3 Billion
- AF played an important role in **Inter-Arab Power Grid linkage** (\$700 million out of \$2 Billion project cost).
- Playing an important role in **Inter-Arab Railways linkage** (Arab Railway Network Study- \$ 3.5 Million).
- **Co-Financing Arrangements** with other institutions amounting to \$ 13.5 billion.



CO-FINANCING ACTIVITIES OF THE ARAB FUND (1974 – 2016)

