



صندوق أبوظبي للتنمية  
ABU DHABI FUND FOR DEVELOPMENT

**Global Partners for Sustainable Development**

# PROJECTS FUNDING PROCEDURES



# OVERVIEW

Abu Dhabi Fund for Development was established on 15 July 1971 and is owned by the Government of Abu Dhabi. As one of the UAE's leading financial institutions, ADFD helps the UAE to realise its vision of socioeconomic prosperity for all within the country and beyond through collaborative, inclusive and mutually beneficial endeavours.



To accomplish its objective, ADFD provides concessional loans to developing countries for infrastructure projects. It also invests in diverse financial instruments to strengthen the private-sector economy of beneficiary nations, as well as to bolster and diversify its own financial resources.

The Fund is equally dedicated to supporting the national economy and enhancing its competitiveness within the government's outlined economic-diversification strategy – a pillar of sustainable development. It launched in 2019 Abu Dhabi Exports Office (ADEX) to create opportunities for UAE exporters in partner countries and raise the volume of national non-crude oil exports.

## ADFD FACTS & FIGURES



AED **16** Billion  
ADFD's Capital



**97**  
Countries  
Benefited



**Thousands**  
of Projects  
Funded



AED **3** Billion  
Value of  
Investments



AED **53** Billion  
Value of  
Government Grants



AED **50** Billion  
Value of  
Concessional Loans

# PROCEDURES FOR FUNDING DEVELOPMENT PROJECTS

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Abu Dhabi Fund for Development, which provides concessional loans to developing countries, maintains its commitment to achieving tangible and measurable results and the highest standards of integrity and transparency in all its activities. These loans fund sustainable infrastructure projects, which drive socioeconomic growth in beneficiary nations.

Projects financed by ADFD must be aligned with the United Nations' sustainable development goals and promote social equality and well-being in targeted populations.

## ADFD accepts loan applications from:



Governments of beneficiary countries



Companies with a government guarantee



# FUNDING REQUIREMENTS

To be eligible for ADFD funding, entities must meet the following conditions:



The applicant country should be a **developing country** included on **OECD's** Development Assistance Committee (**DAC**) List of Official Development Assistance (**ODA**) Recipients.



The project must fall within a development sector, such as **industry, agriculture, irrigation, transport, energy, electricity, healthcare and social services and water and Housing**.



The **request** for funding should be supported by an **economic and technical feasibility study**, including an environmental and social impact assessment.



**Application** should be made in the form of an **official submission** from the **governmental entity** (such as a ministry) in charge of international borrowing or a higher authority.



The **project** must address one of the applicant **government's development priorities**.

\*The applicant country should not have another request for funding under ADFD review and should not be in default of its previous financial obligations towards the Fund. A funding request for a project that has already been contracted is not accepted.



# APPLICATION PROCESS

The application process consists of the following steps:

**1**  **Review of Application Documents**

The **application** should meet the **conditions** stated in Funding **Requirements**.

**2**  **Preliminary Evaluation**

ADFD shall **review** the request and **evaluate** the technical and economic **feasibility** of the **project**.

If the application meets the Fund's requirements, a memorandum shall be submitted to the Board of Directors for preliminary approval of the funding.

**3**  **Field Assessment**



On receiving preliminary approval from the Board of Directors, the Fund will **dispatch** a **delegation** to the beneficiary country to carry out a field assessment.



The **delegation** will **evaluate** the project, study the economic conditions, verify the soundness of the **feasibility study**, **validate the cost estimate** and ensure that the project addresses one of the beneficiary country's development priorities.



The assessment will also include appraising the ability of the beneficiary to administer, **execute, operate** and **sustain** the project.



ADFD may accept a project **evaluation report** prepared by **another development institution** contributing to the funding.

 **Loan Approval** **4**



Upon **completion** of the field assessment report, the **delegation** will submit a recommendation to the Board of Directors for **final approval** for funding.



After obtaining the **final approval** from the Board of Directors, ADFD will notify the government of the beneficiary country and prepare the loan agreement for **signing**.

# FUNDING TERMS & CONDITIONS

ADFD funding terms and conditions align with the OECD classification of countries according to per capita gross national income (GNI).



Interest rates range from 2 to 5%.



Loan repayment period varies between 15 and 20 years.



Beneficiary countries are entitled to a grace period ranging from 3 to 5 years.



Loan amounts range from US\$5 million to US\$100 million.



ADFD finances up to 50% of the total project cost.



