

CANADIAN COOPERATION WITH THE SAUDI FUND

FOR DEVELOPMENT

Saudi Arabia is the largest OPEC aid contributor and a major world aid donor. In 1984, Saudi Arabia ranked second in the world in terms of volume of official development assistance (ODA). Its 1984 ODA volume amounted to US \$3.9 billion, representing a 9.5% share in world ODA. Its ODA/GNP ration was 3.29% (vs. 0.50% for Canada in the same year). The Saudi Fund for Development is the major channel for Saudi ODA; Saudi Arabia is also a major shareholder (20% of voting power) in the Islamic Development Bank and a major contributor to the OPEC Fund for International Development.

The Saudi Fund for Development is the largest Arab aid agency in terms of the size of authorized capital (US \$7.3 billion) and paid up reserves (US \$6.6 billion). Total loans signed by the SFD reached the US \$4.9 billion mark by January 1986. The SFD made 20 loans totalling US \$ 372 million in 1985, compared to 19 loans worth \$ 352 million during 1984.

CIDA is currently financing, or considering for co-financing with the SFD, some 17 projects worth about Cdn \$5.3 billion (Canada share: Cdn \$545 million; SFD share: Cdn \$910 million). Most of these projects involve parallel financing of large projects developed by international financial institutions.