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## KSA AGRICULTURE SECTOR OVERVIEW

APRIL 2025



# KINGDOM OF SAUDI ARABIA: AGRICULTURE SECTOR OVERVIEW



## INTRODUCTION

This Agriculture Sector Overview has been prepared by Consulting HAUS LLC (**CH**), leveraging insights from secondary sources, including the General Authority for Statistics, industry reports, and research publications, alongside primary market interviews with key stakeholders across the Kingdom of Saudi Arabia (**KSA**).

This publication provides a comprehensive analysis of KSA's agricultural market, highlighting its current state, emerging trends, growth prospects, and investment opportunities. It is intended to serve as a strategic resource for businesses, investors, and policymakers navigating the evolving landscape of the sector.

While this report offers valuable market insights, readers are encouraged to conduct independent due diligence before making business decisions based on its contents.

For a more in-depth analysis or customized advisory, please contact our team or visit: [www.consulting-haus.com](http://www.consulting-haus.com).

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# Agriculture sector overview in KSA

## NATIONAL PROGRAMS

KSA envisions to achieve ambitious future aspirations for the agricultural sector by 2030 through its national programs

### KSA VISION 2030

- KSA places significant emphasis on transforming the nation's economy and reducing dependency on oil & gas. Agriculture is a key pillar of this ambitious plan, aiming to enhance food security, create jobs, and foster sustainable development.
- The food and agriculture sectors are among the most important contributors to the development of the national economy in KSA and meeting Vision 2030 goals shall have a major role in contributing to the growth in these sectors.
- There are four main pillars for agriculture in Vision 2030:
  - i. Food Security;
  - ii. Economic Diversification;
  - iii. Sustainable Agriculture; and
  - iv. Technological Adoption

### MAIN PILLARS OF VISION 2030



Cornerstone of its development strategy with key focus on domestic production boost, investment in infrastructure and strategic partnerships



Creating jobs and boosting the non-oil sector's contribution to the GDP



Emphasis on water conservation, land management, crop diversification and organic farming



Leveraging advanced technologies such as hydroponics and vertical farming for increased productivity and efficiency

Source: Saudi Vision 2030 document



# Agriculture sector overview in KSA

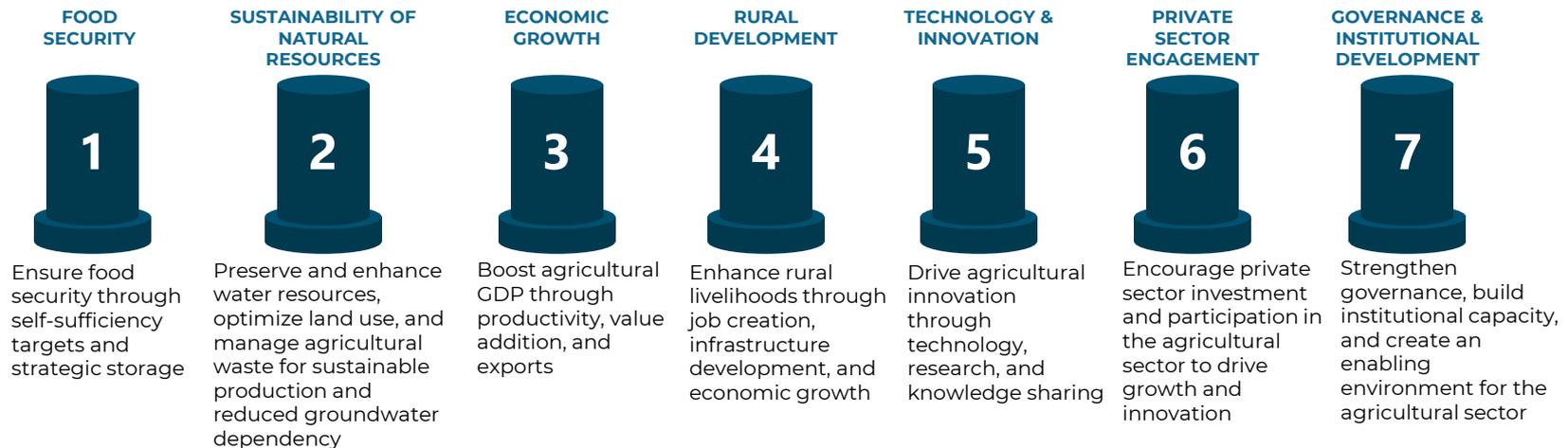
## NATIONAL AGRICULTURE STRATEGY

The National Agriculture Strategy is a working framework for developing agricultural activities in KSA. It serves as a reference framework for the MEWA, contributing to the establishment of laws, legislation, and guidelines

### NATIONAL AGRICULTURE STRATEGY

KSA's National Agriculture Strategy, announced in 2020, is a comprehensive plan aimed at transforming the country's agricultural sector into a sustainable and efficient one. The strategy is a cornerstone of KSA's Vision 2030

### SEVEN PILLARS OF KSA'S NATIONAL AGRICULTURE STRATEGY – KEY GOALS & OBJECTIVES



### KEY RESEARCH AREAS

This strategy encompasses a wide range of research areas to address the country's unique challenges and opportunities. Below are some key focus areas:

#### WATER RESOURCE MANAGEMENT

- Efficient irrigation systems
- Water harvesting and conservation
- Desalination and water reuse
- Drought-resistant crops

#### CROP PRODUCTION AND IMPROVEMENT

- High-yield and quality crops
- Precision agriculture
- Vertical farming and hydroponics
- Organic farming and sustainable agriculture

#### AGRICULTURAL TECHNOLOGY AND INNOVATION

- Digital agriculture
- Biotechnology and genetic engineering
- Renewable energy in agriculture

#### ECONOMIC AND POLICY ANALYSIS

- Agricultural economics and market analysis
- Agricultural policy evaluation
- Investment and financing options

Source: KSA National Agriculture Strategy

# Agriculture sector overview in KSA

## KEY STAKEHOLDERS AND REGULATORS

Ministry of Environment, Water & Agriculture, Saudi Organic Farming Association and TAWTHIQ and are the main regulatory agencies governing the agricultural businesses in the country

### KEY REGULATORY AGENCIES FOR AGRICULTURAL RELATED BUSINESS OPERATIONS IN KSA



وزارة البيئة والمياه والزراعة  
Ministry of Environment Water & Agriculture

- Ministry of Environment, Water & Agriculture (MEWA) is a government body in KSA which is responsible for overseeing the environmental, water, and agricultural sectors in the country.
- Its key responsibilities include environmental protection, land management such as land classification, zoning, reclamation and conservation, water resources management, agriculture development and R&D.
- The ministry plays a crucial role in achieving KSA's Vision 2030 goals, particularly in terms of food security, economic diversification, and environmental sustainability.



- Saudi Organic Farming Association (SOFA) is a non-profit organization established to promote and support organic farming in KSA. It operates under the supervision of MEWA.
- Key roles includes advocacy of organic farming, training and education on organic farming practices, working with MEWA to develop and implement organic certification standards and facilitate the growth of the organic market in KSA.



- TAWTHIQ is the first accredited national inspection and certification body in the Gulf for organic agriculture.
- Responsible for organic certification, inspection and auditing, compliance adherence and market access.
- TAWTHIQ's certification process aligns with several international and national standards, including - EU Organic Regulation and USDA National Organic Program (NOP).

صندوق التنمية الزراعية  
Agricultural Development Fund  
المملكة العربية السعودية



- Established in 1963, Agricultural Development Fund (ADF) is a government credit institution dedicated to financing various agricultural activities across KSA.
- Key roles includes financial support to farmers and agricultural businesses, development of agricultural infrastructure, funding research projects to improve agricultural practices and productivity and offer training and technical assistance to farmers and agricultural entrepreneurs.
- ADF is aligned with KSA's Vision 2030 on enhancing food security and creating job opportunities.



# Agriculture sector overview in KSA

## GOVERNMENT SUPPORT INITIATIVES

The ADF is playing an important role in supporting and developing new and existing agri-businesses

### GOVERNMENT SUPPORT OPTIONS

#### AGRICULTURAL DEVELOPMENT FUND (ADF)



Vision

- Offers sustainable financing solutions to promote the realization of the National Agriculture Strategy



Mission

- Contribute to enhancing food security while preserving natural resources
- Contribute to economic growth and promote sustainable agricultural rural development
- Provide best-in-class financing solutions and services by leveraging strategic partnerships

#### STRATEGIC OBJECTIVES

1

- Support food security by **financing local production** and supply chains, increasing **local content**, and enhancing **marketing and agricultural services**.

4

- Develop and improve **customers' experience** and offer best-in-class financing solutions and services

2

- Finance the agriculture sector to promote **sustainable agricultural rural development** and align the **crop mix** with regional competitive advantages

5

- Enhance the fund's **operating model** and develop **employee capabilities** to achieve corporate excellence

3

- Promote modern technologies to conserve resources and boost productivity, leveraging strategic partnerships with cooperatives, the private sector, and research centers.

6

- Ensure **financial sustainability** through improving operational efficiency and liquidity management within an established risk management framework

#### FINANCIAL ASSISTANCE

- Supporting local farmers: Allocated **SAR300m** to assist farmers in overcoming challenges posed by the pandemic
- Facilitating Food Imports: **Provided SAR2b** in bank guarantees for importers of essential crops like rice, soybeans, corn, and sugar to ensure a stable food supply

#### SECURED FINANCING PROGRAM WITH SAIB

- Program launched by the ADF in cooperation with The Saudi Investment Bank (SAIB), which aims at **providing various financing products and credit services** to achieve food security & sustainability of natural resources
- Sustainable financing enables ADF and SAIB to contribute to the development of the agricultural sector in KSA and achieve the ideal partnership between the government and private sectors

#### KEY INSIGHTS

- As of 2021, the ADF offered 467,000 loans worth ~SAR55b to farmers, livestock keepers & fishermen
- ADF also seeks to support project owners of stalled agri projects in KSA to pave the way for new investors to inject funds into these projects

Source: CH research and analysis, news articles



# Agriculture sector overview in KSA

## AGRICULTURAL SELF-SUFFICIENCY

KSA is taking proactive steps to increase self sufficiency and create a buffer against global supply chain disruptions

### KSA'S AMBITIOUS TARGETS TOWARDS AGRICULTURAL SELF-SUFFICIENCY

- KSA has made significant strides toward agricultural self-sufficiency, driven by its Vision 2030 initiative. The country has recognized the importance of reducing its reliance on food imports and ensuring a stable domestic food supply.

#### KEY FACTORS CONTRIBUTING TO SELF-SUFFICIENCY



##### GOVERNMENT INITIATIVES

Programs like the Sustainable Agricultural Rural Development Program (Reef) have been instrumental in boosting domestic production and processing



##### TECHNOLOGICAL ADVANCEMENTS

The adoption of hydroponics, vertical farming, and precision agriculture has increased yields and reduced water consumption



##### DIVERSIFICATION OF CROPS

Shifting focus from water-intensive crops to more suitable options like dates, olives, and high-value produce

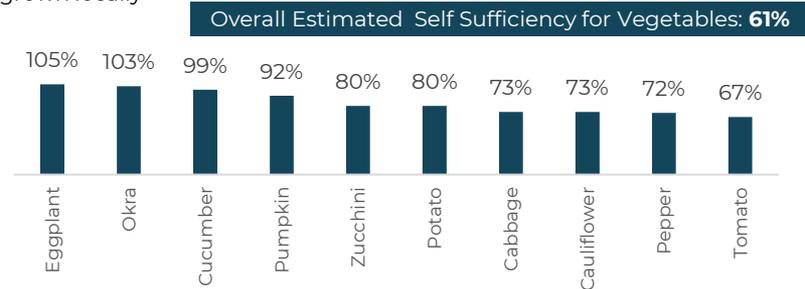


##### PRIVATE SECTOR INVOLVEMENT

Encouraging private investment in the agricultural sector has led to increased production and innovation

#### PLANT PRODUCTS SELF SUFFICIENCY RATIO - 2022

Below are the self sufficiency ratios for some of the major vegetables grown locally



Source: GStat, FAO, CH research, news articles

#### ORGANIC FARMING PRODUCTION FOR 2022

The total area of organic farming in KSA reached 19,119 hectares with organic produce reaching 95,300 tons in 2022; fruit (except dates) accounted for 70.9% of the total organic agriculture production

TYPE	AREA (HECTARES)	PRODUCTION (TON)
Fruits	11,536	67,610
Dates (Palms)	3,967	15,192
Feed stock	520	8,101
<b>Vegetables</b>	<b>126</b>	<b>2,519</b>
Grains	480	1,583
Medicinal and aromatic plants	107	294
Undeveloped land	2,383	

Source: GStat, FAO, CH research, news articles

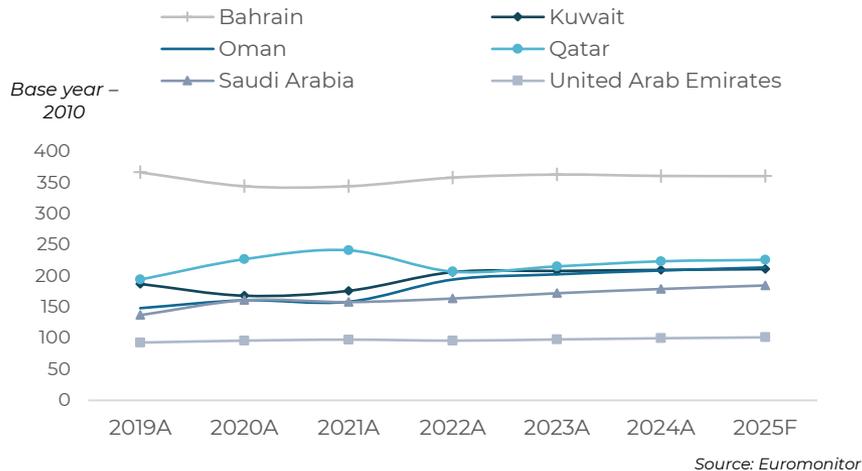


## Agriculture sector overview in KSA

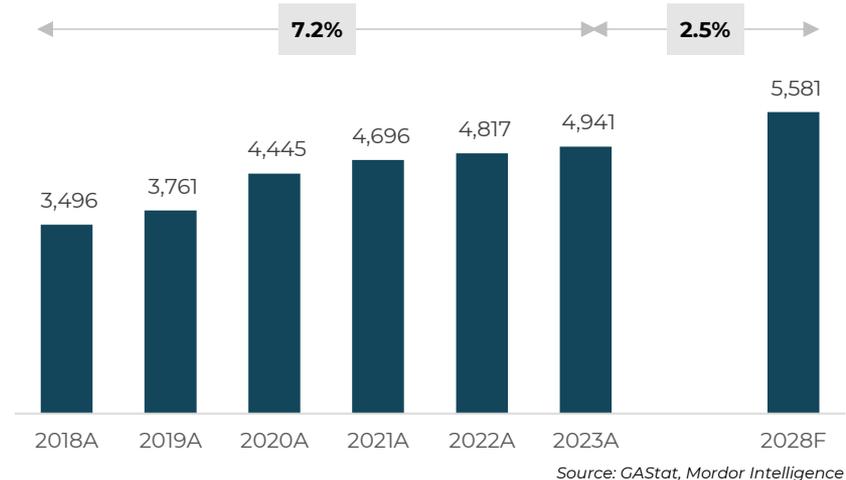
### AGRICULTURE OUTPUT IN KSA VIS A VIS GCC COUNTRIES

KSA's agricultural sector is experiencing steady growth, with crop production projected witness a CAGR of 2.5%, while its agricultural output index rises consistently, outpacing the UAE but trailing faster-growing markets like Kuwait and Oman within GCC

#### AGRICULTURAL OUTPUT INDEX (GCC)



#### CROP PRODUCTION VOLUME IN KSA (000' TONS)



KSA's agricultural output index grows steadily, outperforming the UAE but remaining below Bahrain's higher base and lagging slightly behind the rapid increases seen in Kuwait and Oman.

- **Moderate But Steady Growth for KSA:** KSA starts near 137 in 2019 and rises gradually toward 185 by 2025, showing a consistent upward trend without large year-to-year swings.
- **Faster-rising Neighbors:** Kuwait and Oman both jump above 200 by 2025, outpacing KSA's more measured climb.
- **Bahrain's Standout High Index:** Sitting in the 300+ range, Bahrain's index is significantly higher than KSA's, although it fluctuates more over time.
- **UAE Stays Below KSA:** The UAE's lower index (around 93 in 2019, heading slightly above 100 by 2025) underscores that KSA's agricultural output index level is comfortably above the Emirates throughout the period.

- **Steady Growth Projection:** KSA's crop production rose from 3,496 thousand metric tons in 2018 to 4,941 in 2023, with a projected 5,581 by 2028 (CAGR: 2.5%).
- **Government-Driven Expansion:** Subsidies, interest-free loans, and land reclamation programs are accelerating agricultural productivity, especially in greenhouse farming.
- **Rising Demand for Local Produce:** Urbanization and health consciousness are driving demand for locally grown fruits and vegetables, despite higher prices than imports.
- **Efficiency Gains in Greenhouse Farming:** Tomato production surged 104.9% (2018–2022), with innovations reducing water use from 400 to 80 liters per kilogram, boosting sustainability.



# Agriculture sector overview in KSA

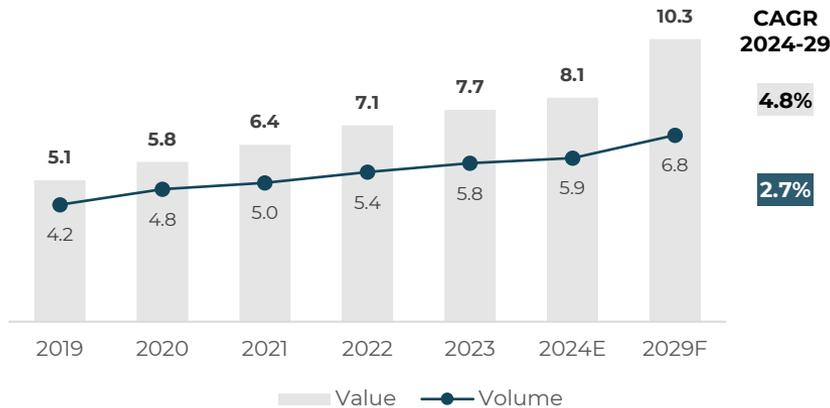
## FRUITS & VEGETABLES MARKET SIZE IN KSA

KSA's food security initiatives, the shift toward greenhouse production, and consumer inclination toward a healthy diet are the major factors driving the market growth

### FRUITS & VEGETABLES MARKET SIZE IN KSA

#### MARKET SIZE AND FORECAST

2019E – 2029F | Value in USDb, volume in million tons



Source: CH research

#### KEY TRENDS

- 1 Transforming traditional farming into modern farming such as greenhouse & vertical farms
- 2 Adopting engineered crops that require less water, are sturdier, and are more resilient to pest infections
- 3 Using advanced technology such as drones, soil analysis, seed planting planning and data collection

### KEY INSIGHTS

#### MARKET SIZE

- The KSA fruits and vegetables market was valued at USD 7.7b (5.8m tons) in 2023 and is projected to reach USD 10.3b (6.8m tons) by 2029F, with a CAGR of 4.8% in value and 2.7% in volume during the 2024E-2029F.

#### GROWTH DRIVERS

- The increasing preference for fruits and vegetables in KSA, along with rising consumer spending, is expected to drive market growth.
- Urbanization, higher incomes, and dietary awareness are leading to healthier eating habits, particularly in urban areas.

#### FOCUS ON SELF SUFFICIENCY

- Locally grown fruits and vegetables are popular in KSA, boosting the consumption in the local market. The level of self sufficiency for highly consumed vegetables such as cucumber, eggplant, cabbage and cauliflower.
- Controlled environment cultivation including modern techniques such as hydroponics and aquaponic are being used to grow crops such as lettuce and green leafy vegetables, wherein contribution of local production in relatively low.

#### SUSTAINABLE FOOD ECOSYSTEM – RECENT INITIATIVES

- In February 2022, NEOM announced plans to create a sustainable food sector with a total output of over 600,000 tons by 2030, including 325,000 tons of fruits and vegetables, 178,000 tons of alternative meat and dairy, and 80,000 tons of aquaculture.
- Production is initially planned to use indoor, or closed, tanks with a recirculating aquaculture system, and is aimed to lead to mass self-efficiency and a stronger local economy.

Source: CH research

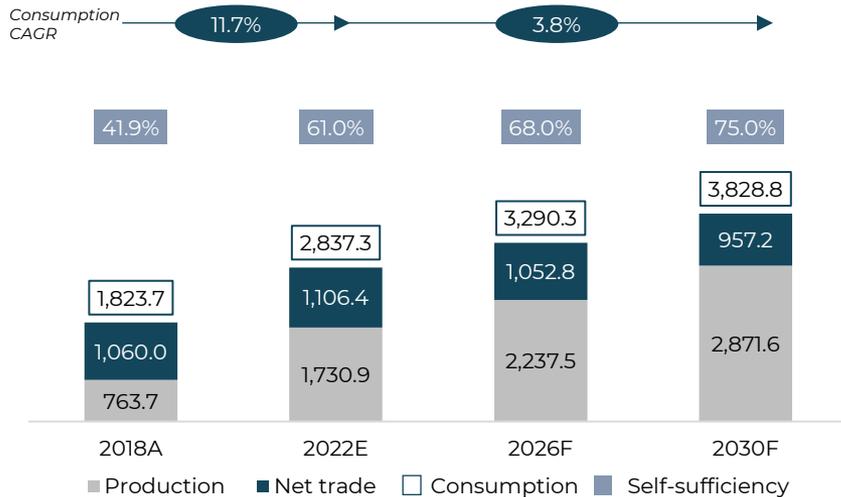


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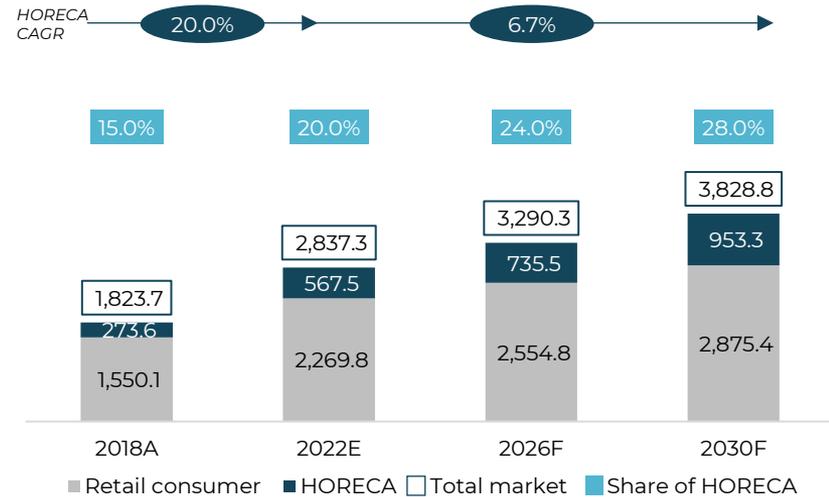
## VEGETABLE DEMAND FORECAST IN KSA

Overall self sufficiency in vegetable production is projected to increase from 61% to 75% over the next 5-6 years

### VEGETABLE MARKET IN KSA (IN THOUSAND TONS)



Source: CH research, FAO, UN Comtrade, GAS



Source: CH analysis, FAO, UN Comtrade, GAS

### KEY OBSERVATIONS

- As reflected in the above graph, the vegetable consumption in KSA has grown significantly over the last few years driven by growth in population, increasing consumer spend on healthy diet options and the derived demand from the HORECA segment. The increasing popularity of fruits and vegetables as a healthy food option, along with rising consumer expenditure on these items, is expected to continue to drive market growth. Health concerns and awareness of the benefits of fresh products are major contributing factors.
- On the other hand, HORECA segment is also expected to benefit due to the growing hospitality sector. The share of consumption demand from the HORECA segment is projected to increase from 20% in 2022E to 28% by 2030F, thus resulting in a relatively faster demand growth compared to the consumer segment
- In terms of vegetable self sufficiency, market participants estimated that this could increase to around 75% should there be continuous investments in the sector. The government has laid down a target of 85% self sufficiency in the overall food sector (including meat and dairy), however the estimated percentage is lower for vegetables given the inherent constraints of growing certain vegetables in KSA.



## Agriculture sector overview in KSA

### OVERVIEW OF PROMINENT AGRICULTURAL FARMS IN KSA

Vertical farming is a relatively nascent concept in KSA with few players currently operating on a limited scale

FARMS	FARMING TECHNIQUES			FARMING TECHNOLOGIES		AREA (In Sq. Meters)	
	OPEN FIELD	GREEN HOUSE	VERTICAL FARMS	HYDRO PONICS	AQUA PONICS		
NADEQ	✓	✓				> 500m	Largest agriculture player in KSA
Tabuk Agricultural Development Co.	✓					350m	Second largest agriculture player in KSA
Sharqiyah Development Co.	✓			✓	✓	72m	Licensed for hydro & aquaponics
Astra Farms	✓	✓				33m	Contains 20 glasshouses and 56 greenhouses
Jedaya Agricultural Co.	✓					25m	-
Nawami Agricultural Farms	✓	✓				11m	Includes 80,000 sqm greenhouse
Dava Agricultural		✓		✓		850,000	Largest hydroponic project in MEA with total 5 greenhouses
Alrasheed Greenhouses		✓		✓		750,000	9 farms producing 16 different vegetables
Green Mast		✓		✓		200,000	Uses 86% less water, 97% less land
Mishkat Agritech Farms		✓	✓	✓		4,600	2 hydroponic greenhouse & 1 vertical farm
Bather Farms			✓	✓		2,500	2,500 sqm facility located in Riyadh
Mowreq Specialized Agricultural Co			✓	✓	✓	700	700 sqm facility located in Al Mahjar in Jeddah
BlueFields Agricultural Co.			✓	✓		N/A	Facility located in Jeddah for vertical farming
Al-Rushaid Agric. Prod. Est.		✓	✓	✓		N/A	

Source: GASTAT, Company websites



# Agriculture sector overview in KSA

## GEOGRAPHICAL MAPPING OF KEY FARMS IN KSA

Currently the key farms are spread across the country with vertical farms operating close to Riyadh and Jeddah. Going forward, market participants expect more developments in the central region around Riyadh and Al Kharj

### POPULATION BY KEY CITIES & LOCATIONS OF PROMINENT FARMS IN KSA

#### Upcoming Vertical/Smart Farms near Tabuk

- Farm involving a JV between TRSDC\* and Red Sea
- Farm involving a JV between TADCO\* and Topian

#### Tabuk Agriculture Development Company (TADCO)



#### Astra Farms



#### Blue Fields Farms



#### Mishkat Farms



#### Jana Farms (Mowreq)



#### Jedaya Agricultural Co.



#### Bather Smart Farms



#### Sharqiyah Development Co



#### NADEQ Farm



#### Upcoming Vertical/Smart Farms near Riyadh

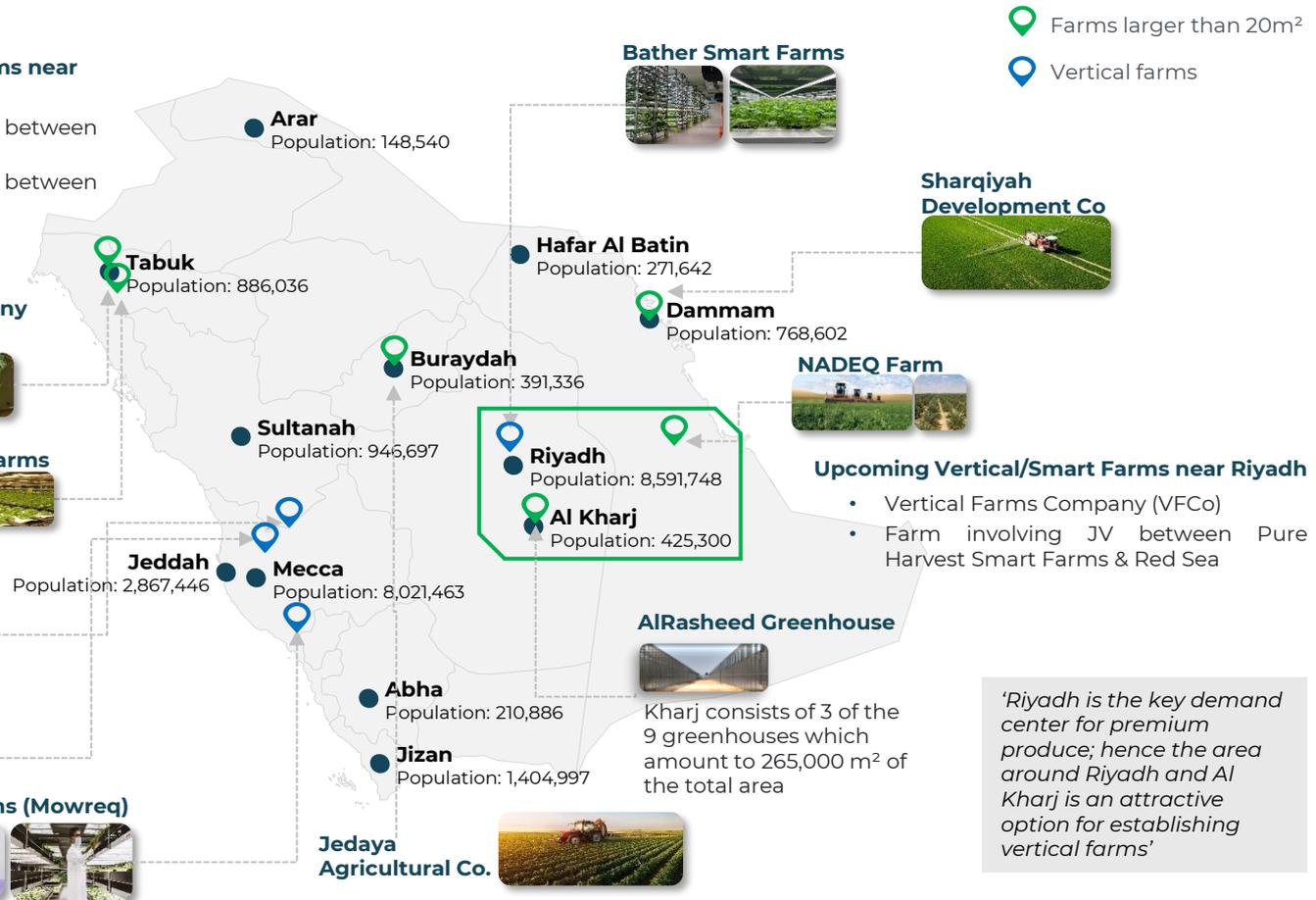
- Vertical Farms Company (VFCo)
- Farm involving JV between Pure Harvest Smart Farms & Red Sea

#### AlRasheed Greenhouse



Kharj consists of 3 of the 9 greenhouses which amount to 265,000 m<sup>2</sup> of the total area

*'Riyadh is the key demand center for premium produce; hence the area around Riyadh and Al Kharj is an attractive option for establishing vertical farms'*



📍 Farms larger than 20m<sup>2</sup>  
📍 Vertical farms

\*TRSDC - The Red Sea Development Company  
\*TADCO - Tabuk Agricultural Development Co

Source: CH research, GASTAT census data, farms websites

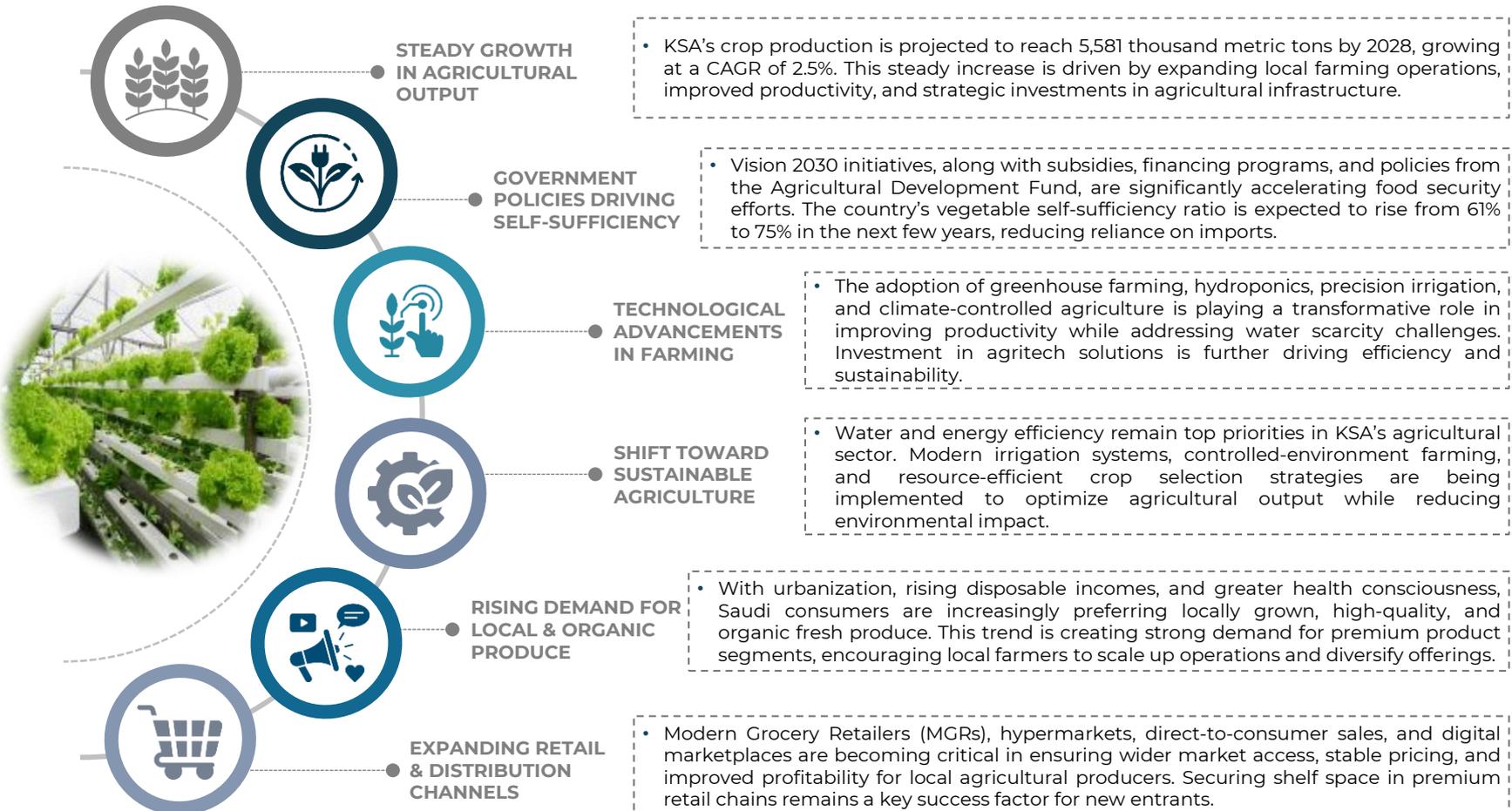


# Agriculture sector overview in KSA

## CONCLUSIONS

KSA's agriculture is growing, driven by government support, technology, and rising demand for local produce. With a focus on self-sufficiency and sustainability, continued investments will strengthen food security and economic growth under Vision 2030

### KSA AGRICULTURE: ADVANCING TOWARD A SUSTAINABLE AND SELF-SUFFICIENT FUTURE





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