

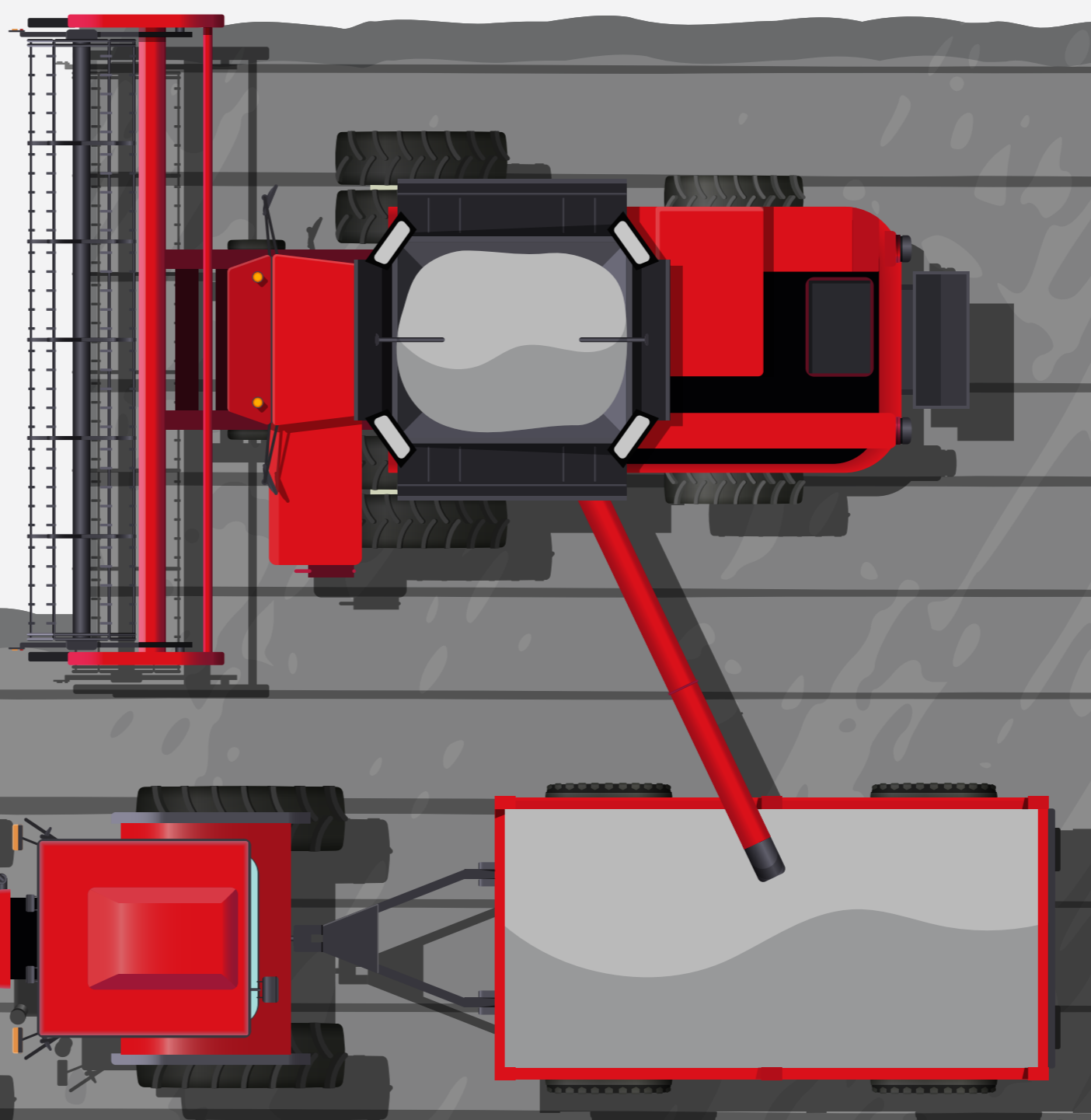
# Middle East and North Africa eyes a secure and sustainable food supply chain

## Appetite for investment

Global food production to increase **1.73%** annually to sustainably produce food for around **10Bn** people by 2050

**USD 4.5Tn** opportunity globally to feed rising population and lower carbon footprint

MENA nations investing in innovations such as aquaculture, irrigation technologies to deliver sustainable, high-quality crops



### Key to food security

- Affordability
- Availability
- Quality & safety
- Natural resources and resilience

## Food innovation in MENA region

### UAE

- Launched national Emirates Sustainable Agriculture Label
- Focus on increasing organic farming acreage by **5%** annually
- New technologies such as hydroponic farming, aquaculture, vertical farming, drone use and sensors to boost sustainable production
- AED 1Bn** AgTech initiative launched by Abu Dhabi Investment Office

Source: UAE Ministry of Climate Change and Environment

### Saudi Arabia

- Ministry of Agriculture set a **30%** reduction target in water usage by 2030
- USD 1.96Bn** Sustainable Agricultural Rural Development Program 2025 for farmers
- Agriculture Development Fund has funded projects with a combined value of **SAR 49Bn**

Source: Saudi Ministry of Agriculture, Agricultural Development Fund (Saudi Arabia)

### Egypt

- Farm-level Irrigation Modernisation Project
- Egypt Network for Integrated Development (ENID) implemented an innovative crop residue recycling pilot project
- Recently launched Sustainable Agricultural Development Strategy towards 2030
- United States Agency for International Development launched

Source: Egypt Ministry of Agriculture and Land Reclamation

## Food security ranking

### Global food security index

Rank	Country
1	Singapore
2	Ireland
3	United States
21	UAE
27	Kuwait
30	Saudi Arabia
55	Egypt

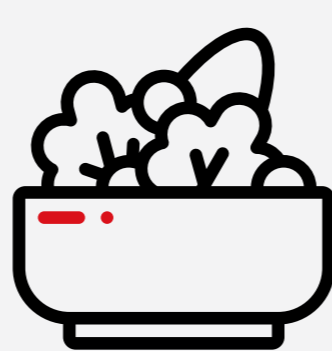
Source: Economist Intelligence Source

## Food sector investment opportunities



Saudi Arabia's food consumption is projected at **39.0Mn** metric tons (MT) in 2023, showing an annual average growth of **3.2%** since 2018

Source: Alpen Capital

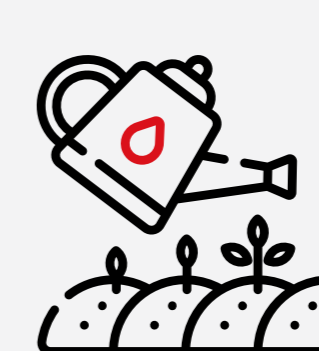


The UAE's food consumption is forecasted to grow at an annualised rate of **3.5%** from an estimated **8.7Mn** MT in 2018 to **10.3Mn** MT in 2023

Source: Alpen Capital



Egypt's agriculture sector to grow **2.94%** annually to 2024 to **USD 2.6Bn**



Opportunity to replace Saudi and UAE food imports of **USD 40.6Bn** last year, with home-grown food options



Opportunity for strong strategic ties with food-exporting countries, such as India, Pakistan and African states

## Food Bill: MENA states can lower their food import bill with domestic production

### UAE top 3 food imports 2019 (USD Mn)

	Meat	<b>731</b>
	Nuts	<b>566</b>
	Dairy	<b>541</b>

Source: International Trade Centre

### Saudi Arabia top 3 food imports 2019 (USD Mn)

	Rice	<b>1,415</b>
	Meat	<b>1,302</b>
	Dairy	<b>760</b>

### Egypt top 3 food imports 2019 (USD Mn)

	Wheat	<b>2,010</b>
	Soya beans	<b>1,261</b>
	Maize	<b>1,103</b>

Source: Economist Intelligence Unit and International Trade Centre



Issued by: HSBC Bank Middle East Limited U.A.E Branch, P.O. Box 66, Dubai, U.A.E, regulated by the Central Bank of the U.A.E for the purposes of this promotion and lead regulated by the Dubai Financial Services Authority.  
 Distributed by: HSBC Bank Middle East Limited Algeria Branch, District Algiers, Complexe Immobilier Oriental Business Park, Bab Ezzouar, 16311, Algiers, regulated by the Central bank of Algeria for the purposes of this promotion and lead regulated by the Dubai Financial Services Authority.  
 HSBC Bank Middle East Limited Bahrain Branch, P.O. Box 57, Manama, Kingdom of Bahrain, licensed and regulated by the Central Bank of Bahrain as a Conventional Retail Bank for the purposes of this promotion and lead regulated by the Dubai Financial Services Authority.  
 HSBC Bank Egypt S.A.E, P.O. Box 124, Maadi, Cairo, Egypt and lead regulated by the Central Bank of Egypt.  
 HSBC Bank Middle East Limited, Kuwait Branch, P.O. Box 1683 Safat 13017, regulated by the Central Bank of Kuwait, Capital Markets Authority for licensed Securities Activities for the purposes of this promotion and lead regulated by the Dubai Financial Services Authority.  
 HSBC Bank Oman S.A.O.G., P.O. Box 1727, PC 111, CPO Seeb, Sultanate of Oman, regulated by the Central Bank of Oman and lead regulated by the Capital Market Authority, Oman.  
 HSBC Bank Middle East Limited Qatar Branch P.O. Box 57, Doha, Qatar is regulated by Qatar Central Bank for the purposes of this promotion and lead regulated by the Dubai Financial Services Authority.  
 HSBC Bank A.S., Esentepe Mh. Büyükdere Cd. No:128 Şişli 34394 İstanbul, regulated by the Banking Regulation and lead regulated by Supervision Agency of Turkey.  
 HSBC Saudi Arabia is authorised and regulated by the Capital Markets Authority, license number 05008-37 and licensed to undertake investment banking activity within the Kingdom of Saudi Arabia. The Saudi British Bank (SABB), a Saudi Joint Stock Company, was established in 21 January 1978 and is an associate of the HSBC Group. SABB is regulated by the Saudi Arabian Monetary Agency.  
 © Copyright HSBC Bank Middle East Limited 2020. ALL RIGHTS RESERVED. No part of this document may be reproduced, stored, distributed or transmitted in any form without prior written permission of HSBC Bank Middle East Limited.  
 Dated: May 2020.