



AAAID Investment Criteria

معايير مساهمة الهيئة في المشاريع

Specific criteria have been set for the projects that the Arab Authority for Agricultural Investment and Development (AAAID) will invest in in the future, aiming at selecting projects that are compatible with its agricultural investment strategy. A list of investment criteria has been defined, covering the strategic, operational, and financial aspects, which enables direct and rapid verification of the project's compatibility with AAAID's strategy before moving to the next stage of the investment process.

Any proposed investment opportunity must meet the following criteria:

1. The project must comply with the key performance indicator (KPI) "Contribution to achieving food security".
2. Total invested capital in any country shall not exceed 20% of AAAID's total agricultural investments.
3. Total invested capital in any sector shall not exceed 30% of AAAID's total agricultural investments.
4. AAAID's share in the project's equity should be in the range of 25% to 49%.
5. The project's Profitability Index (PI) should be greater than 1.
6. Equity component shall not exceed 50% of the project's total investment cost.
7. The company in which AAAID will be a shareholder must have a dividend distribution policy to disburse at least 20% of the net profits*.
8. Due Diligence should be carried out for the expected partners (financial, legal, KYC).
9. Availability of feasibility study completed by a reputable consultant covering market, technical and financial aspects of the project.
10. The project should be aligned with the AAAID's programs and investment initiatives.
11. AAAID shall provide its capital contribution concurrently with the rest of the shareholders.
12. Ensure that potential partners are not exposed to political risks (PEP).
13. It is preferable that the investor has already started spending on the project.

* Exceptions are subject to the AAAID's Board of Directors.

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