

**The Saudi Arabian Agriculture Market is anticipated to register a CAGR of 4.9% during 2023 - 2028 - Market Size, Share, Forecasts, and Trends Analysis Report by Mordor Intelligence.**

According to a new market research report titled "Saudi Arabian Agriculture Market - (2023 – 2028)," the market is expected to register a CAGR of 4.9%. Saudi Arabia is the largest agricultural market in the GCC region. Agricultural demand is increasing in the country due to changing consumer consumption patterns and increased awareness. The agricultural sector contributes SAR 53 billion to the country's GDP each year. The increasing population also increases the importance of agriculture in this region.

**Technological advancements and increased land under agriculture are driving the market:**

Due to the presence of vast desert land, water is extremely scarce in Saudi Arabia. Many alternative sustainable agricultural activities, such as greenhouse farming and advanced drip irrigation practices, have been implemented to encourage farming in the region. This encourages the cultivation of various varieties of fruits, vegetables, and grains for the nation's long-term development and becomes the best solution for water scarcity.

- Technological advances are increasing productivity and catering to the demand in Saudi Arabia.
- For instance, in 2022, KSA announced a smart farm project which will supply fresh agricultural produce to the Saudi Arabia market.
- Tamimi Markets, Mitsui & Co., and Zero SRL are collaborating to develop vertical smart farms in Al Kharj.
- Technological developments in agriculture will increase farmer's income and strengthen the sector.
- Start-up companies in Saudi Arabia are taking innovative approaches to innovate the agriculture industry.
- For instance, Red Sea Farms is an agricultural technology business that makes it possible to grow crops commercially using mostly salt water.

Moreover, the increased arable land year after year shows an increase in the demand for food products, indicating development in agriculture.

**Government initiatives are being implemented to achieve agricultural self-sufficiency:**

According to the Borgen Project, Saudi Arabia imports more than 80% of its food needs with oil money. Only about 1.5% of Saudi Arabia's land area is arable, but agriculture in the country consumes more than 80% of the Kingdom's water supply. In order to meet the increased demand, the country is increasing its imports of various foods.

For instance, according to the ITC trade map, the import volume of citrus increased from 653.6 metric ton in 2018 to 615.5 metric ton in 2021. To reduce import dependency, the government is taking various initiatives to attain self-sufficiency in agriculture production.

In addition, as part of its Vision 2030 program, the Saudi government has made concerted efforts to improve its agricultural sector. The Saudi Vision 2030 focuses on rationalizing the use of finite resources and increasing efficiency along production and value chains. Rural economic development is a top priority.

Saudi Arabia has approved 92 billion riyals in financial support for the environment, water, and agriculture sectors to help them achieve their goals under the government's 2030 economic plan. Similarly, the Saudi government is spending 13.94 billion riyals on the Ministry of Agriculture as part of the National Transformation Plan as part of Vision 2030.

#### **Recent developments in the Saudi Arabian Agriculture Market:**

- In September 2022, Saudi Arabia planned to invest heavily in its food and agricultural sectors. Abdulrahman Al Fadhli, the country's minister of environment, water, and agriculture, said that the government was allocating SAR 91 billion (USD 24.4 billion) for food and agriculture industries in a bid to boost production and exports.
- In August 2022, the Kingdom of Saudi Arabia plans to increase its production of dragon fruit because it is a highly prized commodity and uses less water than other agricultural crops. The announcement was made at a workshop hosted by the Ministry of Environment, Water, and Agriculture.
- In July 2021, the Ministry of Environment, Water and Agriculture of the Kingdom of Saudi Arabia launched a new mechanism for applying the terms and conditions for importing vegetables and fruits as of Muharram 1, 1443, the beginning of the New Hijri Year, corresponding to August 10, 2021.

In a nutshell, the Mordor Intelligence Market Research Report is a must-read for start-ups, industry players, investors, researchers, consultants, business strategists, and all those who are looking to understand this industry. Get a glance at the <https://www.mordorintelligence.com/industry-reports/agriculture-in-the-kingdom-of-saudi-arabia-industry>

#### **About Mordor Intelligence:**

Mordor Intelligence is a market intelligence and advisory firm. At Mordor Intelligence, we believe in predicting butterfly effects that have the potential to change or significantly impact market dynamics.

Our market research reports are comprehensive and provide exclusive data, facts and figures, trends, and the competitive landscape of the industry.

**Mordor Intelligence constantly tracks industry trends. Some relevant market reports from the analysts that might be of interest to you:**

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