

Global Practices

# Key Achievements 2019

Country Programs Complex

**IsDB**



البنك الإسلامي للتنمية  
Islamic Development Bank



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1- Economic Development 2- Development Impact 3- Islamic finance





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# Foreword

The Global Practices aims to provide thought leadership in key areas related to the Bank's developmental activities. In this context, they set out the strategic priorities in the global practice areas of Economic & Social Infrastructure, Resilience & Social Development, Islamic Financial Sector Development, Country Strategy & Cooperation and Economic Research & Institutional Learning. To this end, they focus on ensuring that the Bank's operational activities contribute effectively and efficiently to the overall mission, vision and strategy of the Bank, while simultaneously reflecting the needs of its Member Countries and partners.



To ensure that both the IsDB 10 Year Strategy and the President's 5 Year Program is effectively and efficiently delivered, appropriate policies have been developed in the past year to guide interventions, and several key initiatives were undertaken as part of delivering on the mandate of the Bank.

The various policies are highlighted in a separate publication entitled "IsDB Group Policy Compendium", and this publication "Key Achievements 2019" showcases the key accomplishments of the Global Practices in 2019. Given the diversity of the Global Practices, one will find achievements that support all segments of the Bank in both its lending and non-lending activities, along with a strong focus on engagement at the global, regional and country level with other development partners and Member Countries. The work of the Global Practices has provided the evidence basis for the Bank in formulating its views and supported its decision making and positions on key development challenges facing Member Countries.

As we lead the institutionalization and cultivation of knowledge in the Bank, we will continue to build capacity internally and in our Member Countries to better deliver on the Bank's development mandate and continue our quest to improve the quality of lives and livelihoods.

I would like to take this opportunity to thank Dr. Mansur Muhtar, Vice President Country Programs for his strong leadership, guidance and support during the year. The achievements highlighted in this Report would not have been possible without all the colleagues in the Global Practices who have worked tirelessly during the year to deliver on our mandate despite the various challenges. As we grapple with the myriad of challenges and navigate the murky waters on the global development landscape, the Global Practices will continue to provide thought leadership and act as a beacon for the Bank's interventions in the years ahead.

*ATDiallo*

**Amadou T. Diallo**

**Director General (Acting)**

Global Practices, Country Programs Complex





# Acknowledgements

This Report entitled “**Global Practices Key Achievements 2019**” was initiated and developed under the auspices of Mansur Muhtar, Vice President (Country Programs) and Amadou Thierno Diallo, Acting Director General (Global Practices). It showcases some of the key initiatives and achievements of the Global Practices during the year 2019. The Achievements highlighted are in line with IsDB 10 Year Strategy (10YS) and the President’s 5 Year Program (P5P) and demonstrates the strong commitment of the Global Practices and Country Programs Complex towards delivering on the goals and objectives of the P5P.

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**Focal Points:** Team acknowledges the contributions from all Global Practices Departments and their Divisions/Units during the preparation of this Achievement Report. Special mention of the following focal points is warranted: Abdallah Al-Laham, Abdi Abdullahi, Ahmed Al Qabany, Ahmed Berthe, Ahmed Diken, Aminuddin Mat Ariff, Bandar Alhoweish, Biola Badmos, Hussain Mogaibel, Muzahid Ali, Nur Abdi, Riad Ragueb Ahmed, Sameh Hussein, Sami Faruqi, Sharjeel Ahmad, and Yahya Rehman, Yoseph Ataa Alsawady.

**Design, Cover Page & Type-setting:** Aziza Abdullah Zarei



# Guide

## IsDB Group President's 5 Year Program (P5P) 6 Performance Drivers

The emerging global development agenda, represented by agreement on the Sustainable Development Goals (SDGs) along with subsequent agreements (i.e., COP21 on climate change, Addis Ababa Action Agenda (AAAA), the Sendai Framework for disaster risk management, etc.) represent a trajectory shift in the global development dialogue. Operationalizing this agenda required the Bank to adopt a different business model to tackle these emerging global development challenges that emphasizes market-led growth, science, technology and innovation, and global partnership for development. IsDB New Business Model therefore shifts the global development narrative from scattered Band-Aid interventions addressing narrow and immediate pain points to tackling root causes hindering sustainable growth. To align with the new business model, IsDB is focusing on the following six corporate performance drivers, each constituting a critical change in the way the Bank operates and delivers value to Member Countries:



### **Awareness:**

Improving the visibility of the Bank

Visibility can be enhanced by creating an integrated strategic communication model.



### **Competence:**

Building organisational capabilities

IsDB should build capacities by accessing the knowledge of member country populations.



### **Delivery:**

Decentralising functionally and geographically

IsDB projects should be implemented via crowdsourcing platforms by assessing project quality and by evaluating impact.



### **Funding:**

Sustainable financial growth

IsDB must build a sustainable financial model based on self-financing.



### **Linkages:**

Crowding-in resources from the market

Partnerships are the best way of enhancing IsDB's competitive edge.



### **Reinforcement:**

Managing for development results

IsDB should adopt sustainable policies and supervisory mechanisms that protect, preserve, and ensure a sustainable development impact.

## Sustainable Development Goals (SDGs)

The 2030 Agenda aspires to achieve 17 high level Sustainable Development Goals (SDGs) and 169 specific targets, encompassing the social, economic and environmental dimensions of development. These aspirations for human dignity, and 'to leave no one behind', is fully in line with the principles and objectives of development from an Islamic perspective (Maqasid Al-Sharia).



No Poverty



Zero Hunger



Good Health and Well-Being



Quality Education



Gender Equality



Clean Water and Sanitation



Affordable and Clean Energy



Decent Work and Economic Growth



Industry, Innovation, and Infrastructure



Reduced Inequalities



Sustainable Cities and Communities



Responsible Consumption and Production



Climate Action



Life Below Water



Life on Land



Peace, Justice, and Strong Institutions



Partnerships for the Goals



# Alliance for Better Educational Development Financing

A perennial factor in the dismal performance of children that has resulted in what is described as the “learning crisis” lies in the dysfunctional education system. IsDB Member Countries account for the highest number of out-of-school children and amongst the lowest on learning achievements. To ensure a paradigm shift from schooling to learning, education systems must first be reformed structurally and operationally to facilitate a holistic and conducive environment for teaching and learning. This partnership is anchored on strengthening education systems. The IsDB has engaged with the largest entity in education financing, the Global Partnership for Education, to actively participate in the global aid architecture discourse while leveraging resources for its Member Countries. The GPE is a multi-stakeholder partnership, bringing key stakeholders together to improve education in 68 of the world’s poorest countries of which 35 are IsDB Member Countries.



**Initiative Date**  
**April 2019**

## Teams

- Economic & Social Infrastructure (ESI)
- Islamic Solidarity Fund for Development (ISFD)

## Objective(s)

Adopting a multi-pronged collaboration that bolsters Member Countries’ access to critical financing to strengthen education systems, reduce the number of out-of-school children and enable more children to learn and thrive.

## Key Elements

To leverage on GPE grant resources, the IsDB has been accredited as the second MDB to serve as Grant Agent for the GPE (alongside the World Bank) with fiduciary responsibility over the GPE resources.

## Unique Features

With access to the GPE country allocations, the IsDB is able to build its pipeline of projects around those allocations. The leverage and blend with the GPE grant resources will soften IsDB ordinary financing which lower-income Member Countries are reluctant or unable to absorb.

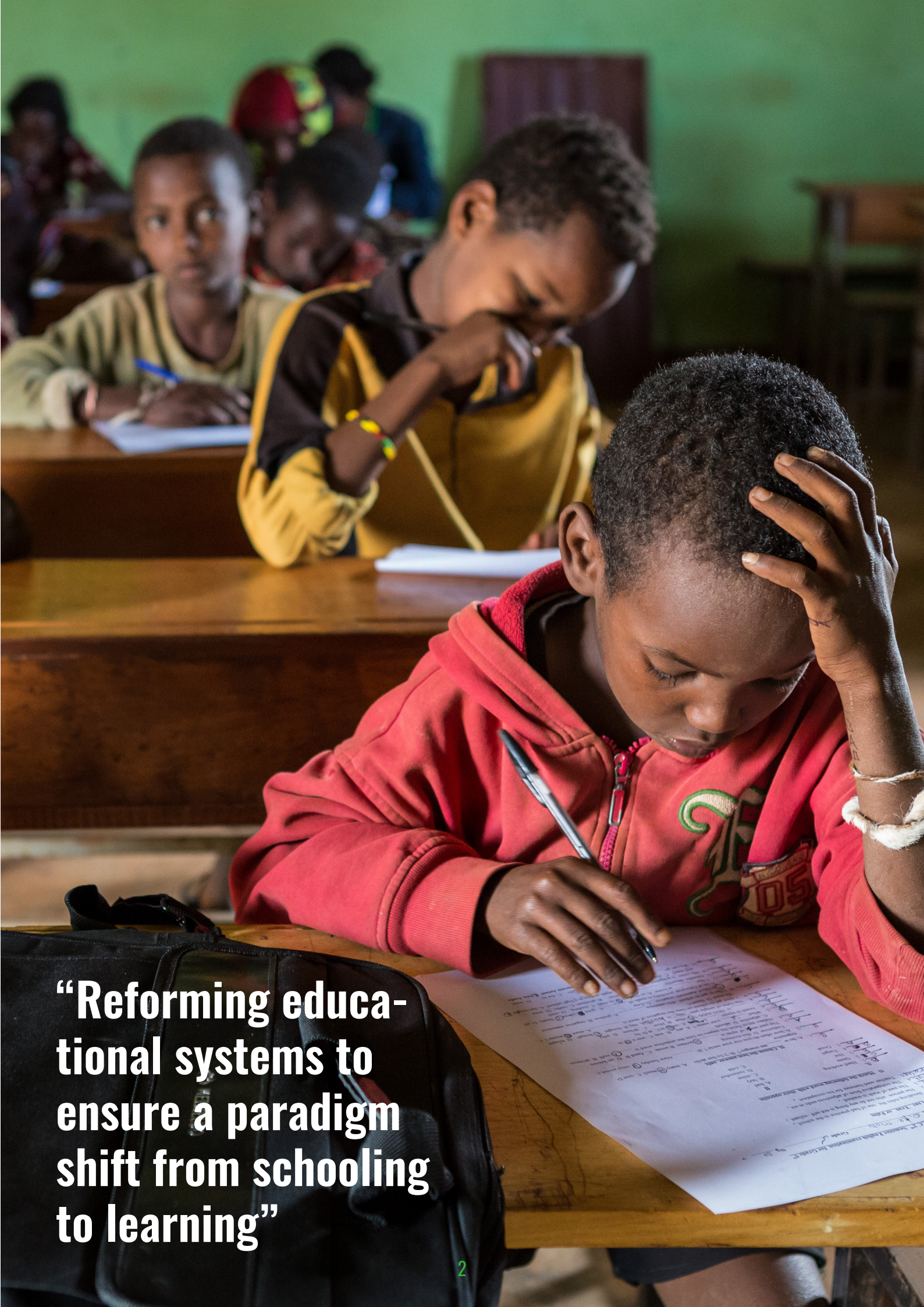
## Anticipated Results

The IsDB approved a blended financing package of US \$30 million to support Tajikistan unlock its allocation of US \$10 million from the GPE Multiplier, thus becoming the first beneficiary country of the partnership.

IsDB became an Alternate Board Member for the Multilateral Development Agencies Constituency, to enhance and deepen IsDB involvement in the governance of GPE.

## Development Partners

Global Partnership for Education (GPE)



**“Reforming educational systems to ensure a paradigm shift from schooling to learning”**



# Business Resilience Assistance for Value Adding Enterprises (BRAVE) Women Program

Small and Medium Enterprises (SMEs) play a prominent role in fragile settings. Local SMEs not only provide needed goods and services they also provide jobs for people in need, essential for both livelihood support during times of conflict and fragility and in reconstruction and development to bring out stability. Creating more opportunities for women entrepreneurs to engage successfully in business activities can produce considerable benefits for women, their families and communities. The typical constraints faced by women entrepreneurs are lack of access to finance, lack of sound business skills, lack of skilled labor, limited access to market, lack of equipment and technology, restrictive regulatory frameworks. BRAVE Women Program is an attempt to support female owned/led businesses and address barriers to women entrepreneurship in selected value chains in Yemen, Burkina Faso and Nigeria, three of the most vulnerable countries in Africa and the Middle East.



## Objective(s)

The BRAVE Women Program is a 5-year US \$32.2 million grant awarded under the Women's Entrepreneurs Finance Initiative.

## Key Elements

The Program will provide training to business advisors on business continuity planning in fragile and high-risk contexts. It will also finance an estimated 1,200 women led/owned MSMEs in pre-selected value chains, on a matching grant basis, provided they pass the training program. In addition, it will ensure sustainability of impact in target sectors by adopting a value chain development approach supporting the lead firms, Women Business Associations and sector specific cooperatives.

## Unique Features

The Program is addressing three critical challenges facing IsDB Member Countries, fragility (29 of the 57 Member Countries are fragile), women's low entrepreneurship development and high unemployment. It's designed in a way to address the barriers women entrepreneurs face especially in fragile contexts and enable women owned and led entrepreneurs to act as engines for economic growth and job creation.

The Program is aligned to the new business model as well, namely the operational result of building resilient market systems that ensures no one is left behind both in terms of populations and countries, as the Program focuses on women owned and women led MSMEs in fragile situations.

## Initiative Date

**January 2019**

## Teams

- Resilience & Social Development (RSD)



## Anticipated Results

- 1,500 women owned/led MSMEs trained on how to assess risks and determine their business priority by preparing Business Continuity Plans;
- Grant matching scheme for over 1,200 women owned/led MSMEs in pre-selected value chains, on a cost-sharing basis for the procurement of capital goods and services to support business recovery/growth;
- 40 lead firms and Business Associations/cooperatives in Yemen, Nigeria and in Burkina Faso supported in protecting vital value chains and upgrading the chain performance, impacting on many more SMEs; and
- An online IT platform developed to handle Monitoring/Reporting and knowledge sharing among project stakeholders.

## Development Partners

The Islamic Corporation for the Development of the Private Sector (ICD), Women Entrepreneurs Finance Initiative

**“Addressing the barriers women entrepreneurs face especially in fragile contexts and enabling women to act as engines for economic growth”**



**BRAVE**  
*Women*

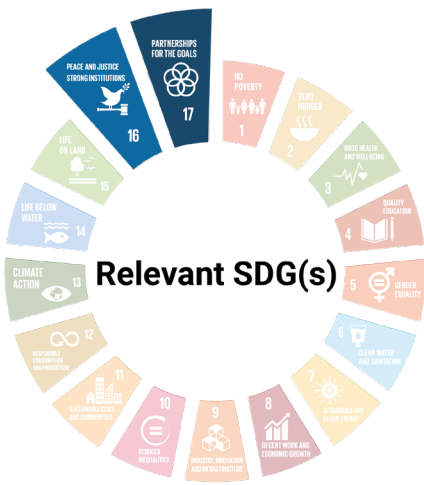


# Capacity Development Program on National Ecosystems for SSTRc

The IsDB has been supporting South-South and Triangular Cooperation (SSTRc) among its Member Countries since its inception. The experience thus far has shown that some countries have some elements of the capacity and institutional arrangements—or national ecosystems—needed to be engaged in SSTRc effectively, while most lack these elements.

In order to address this challenge, the IsDB prepared a new framework entitled “national ecosystems for SSTRc” identifying the key pillars that should constitute the national institutional arrangements to be effectively engaged in SSTRc. The framework was substantiated through an evidence-based study entitled “Developing National Ecosystems for SSTRc to Achieve Agenda 2030 for Sustainable Development”.

In order to operationalize the framework of national ecosystems for SSTRc to benefit the Member Countries, the Bank also formulated the “Capacity Development Program for Enhancing National Ecosystems for SSTRc in IsDB Member Countries”, which was approved in December 2019. The program will be implemented by using the Reverse Linkage modality as a key mechanism of implementation. Member Countries that have strong national ecosystem pillars in place will become providers to other countries that require capacity development. By facilitating the exchange of institutional capacity and expertise on SSTRc among Member Countries as well as those from the Global South, the program will contribute to the Bank’s goal of being a “Bank of Development and Developers”. The framework and the Capacity Development Program are also in line with the global discussions on SSTRc.



**Initiative Date**  
**December 2019**

## Teams

•Country Strategy & Cooperation (CSC)

## Objective(s)

The overall goal of the program is to support IsDB Member Countries to fully benefit from the South-South and Triangular Cooperation (SSTRc) modality and use it as one of the key instruments to achieve their national development objectives as well as contribute to the Agenda 2030.

## Key Elements

The program will focus on enhancing the capacity of the Member Countries in setting up or enhancing the pillars of the SSTRc national ecosystem as identified in the Bank’s framework of “national ecosystems for SSTRc”. This framework consists of 7 key pillars identified as: (i) political will; (ii) national strategy on SSTRc; (iii) national body for SSTRc; (iv) information databases; (v) connected actors; (vi) national financing mechanisms for SSTRc and, (vii) performance

management systems to assess progress and learn lessons for better policy making. Under this program, the following main activities will be carried out for each beneficiary country including: (i) assessing the capacity gaps of the national ecosystem for SSTRc, identify weaknesses as well as priority areas of intervention and develop an action plan through a participatory approach with the national stakeholders and (ii) designing a comprehensive capacity development solution to enhance the national ecosystem for SSTRc and implementing it with the technical partners of the program.

## Unique Features

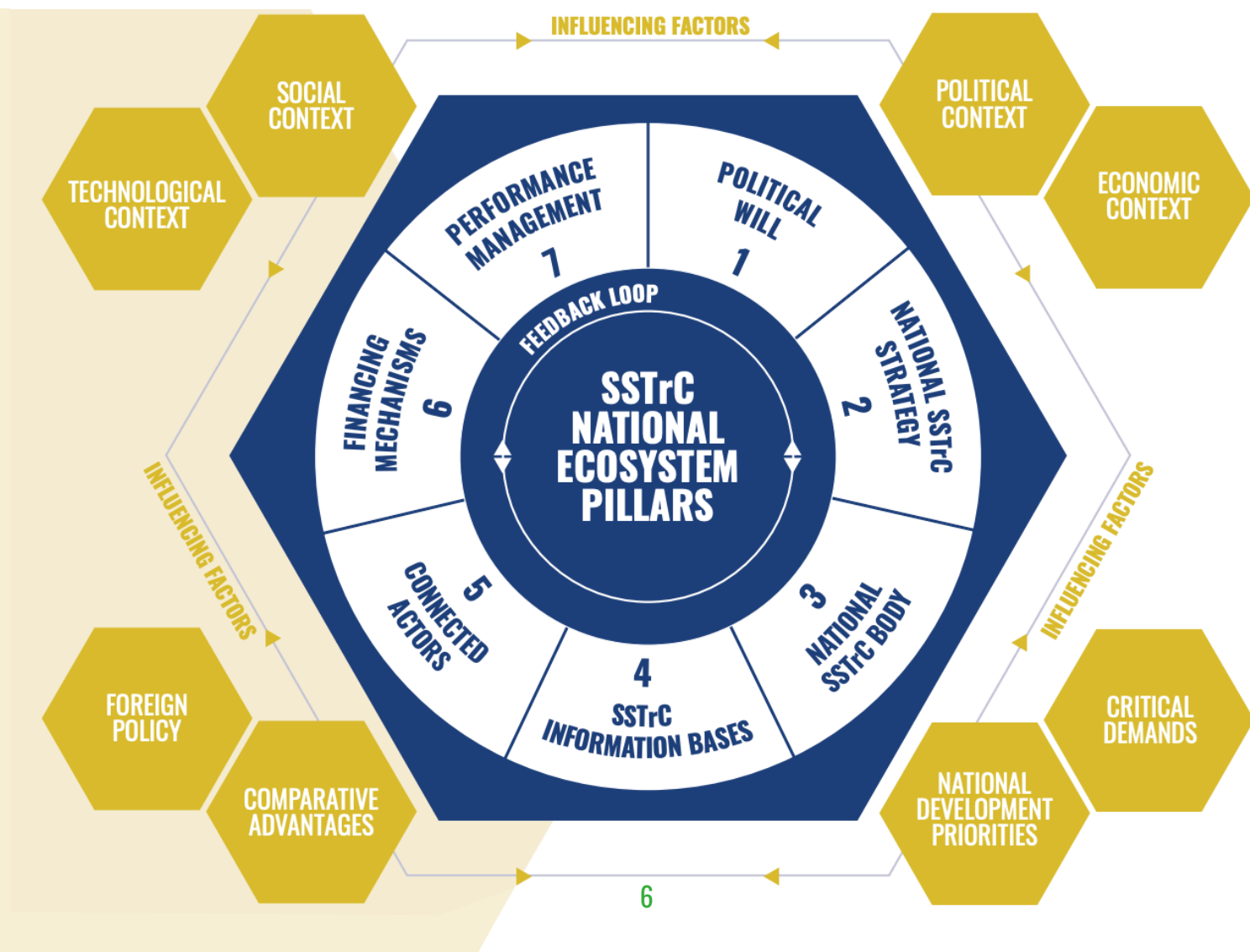
The status of the national ecosystem for SSTRc varies from one-member country to another. Among the 57 Member Countries of the IsDB, only 12 of them have some elements of the national ecosystem for SSTRc while others lack the capacity altogether. Through the subject Capacity Development Program, the Bank will be the first multilateral development bank (MDB) assisting its Member Countries to fill an essential capacity gap in undertaking effective SSTRc activities. In this respect, the Bank will also be the first MDB to address the recommendations highlighted in the Outcome Document of BAPA+40.

## Anticipated Results

Through this Capacity Development Program, at least 10 Member Countries will have enhanced national ecosystems for SSTRc.

## Development Partners

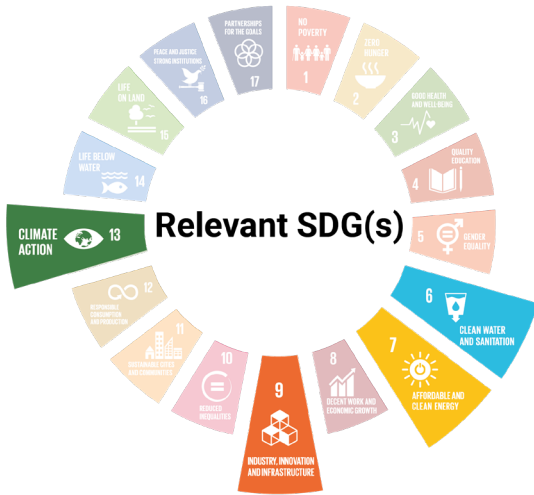
UN Office for South-South Cooperation, South Centre, UN Development Programme





# Climate Adaptation Sector Guidance Notes

Climate change threatens not only the progress of economic development across many countries but also the core development mission of the Islamic Development Bank (IsDB). In line with awareness, competency and delivery tracks of the P5P, the Bank, in collaboration with the World Resources Institute (WRI), developed climate change guidance notes for four key sectors. Namely: (i) Agriculture & Rural Development; (ii) Energy; (iii) Transport; and (iv) Water.



## Objective(s)

The objectives of IsDB climate change guidance notes is to provide practical guidance for project teams including operations team leaders, project managers, country managers, climate change specialists and operations staff on the management of climate change risks (acute, chronic, medium and long-term risks) and identification of opportunities to enhance the overall formulation and design of IsDB financed operations.

## Key Elements

- The guidance notes cover operations and interventions in agriculture, energy, transport, water and sanitation sectors and subsectors.
- The guidance notes directly target how to address climate risks in projects design (both within IsDB and in Member Countries), assess such risks and outlines different options to mitigate them. They provide practitioners with concrete proposed actions and case studies.
- They have been useful tools to engage Member Countries on climate change discussion.
- These notes are currently being used as climate action mainstreaming tools in the Bank's operations and in building climate resilience in Member Countries.

## Unique Features

- The guidance notes help the Bank systemically address climate risks and enhance resilience of projects. While there may be several knowledge products on climate risks globally, there was nothing that provides a similar sequential approach for incorporating climate components for practitioners during project design in a concise way.
- The guidance notes offer easy to use while serving as learning material to project teams and sector specialists that do not necessarily have environmental science/climate change background.



**Initiative Date**  
**May 2019**

## Teams

- Economic & Social Infrastructure (ESI)
- Resilience & Social Development (RSD)
- Regional Hubs



## Anticipated Results

- Enhanced capacity of sector specialists as well as project teams to improve projects climate resilience and enhance team's capacity in their project appraisal and design to enhance project quality at entry.
- Enhanced climate resilience of IsDB's investments in its Member Countries as well as building the resilience of beneficiary communities through climate proofed operations.
- Increased knowledge of climate mainstreaming as notes provide practical guidance for project teams.

## Development Partners

The World Bank, Food and Agriculture Organization (FAO), Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), European Bank for Reconstruction and Development (EBRD)

**“A practical guide for staff to help identify risks and opportunities to enhance project design”**



# Climate Risk Screening “AWARE™” for Projects

Climate change is a global challenge with significant consequences that threatens not only the progress of economic development across many countries but also the core development mission of the IsDB. In response to this threat, the Bank subscribed to a climate risk screening tool (AWARE™ for Projects), which was customized to the Bank’s sectors and sub-sectors to enable project officers to identify and address potential climate risks.



## Objective(s)

The main objective of the “AWARE™” for projects tool is to screen projects in any location against a range of observed and future climate related hazards. The application of the Tool is the first stage of the overall climate risk management process of the Bank and it helps to identify the nature and levels of risks to planned projects.

The identified risks are used to design and propose appropriate adaptation and climate resilience measures to be mainstreamed into project design and implementation.

## Key Elements

- The AWARE™ for Projects was developed by Acclimatise Group Ltd, UK and customized for IsDB. The tool was customized to IsDB sectors and sub-sectors and to fit with the Bank’s operations.
- A user’s manual and training were provided to project teams, where the tool generates output in the form of a detailed risk report, highlighting the level of risks to the project while also providing recommendations for follow-up actions.
- This climate risk screening step is the first entry point for the climate change specialists’ technical engagement in projects and facilitate having objective evidence-based discussions.
- The AWARE™ tool is a significant part of the climate risk management process of the Bank and is a key step as outlined in the Bank’s Climate Change Policy Implementation framework.

## Unique Features

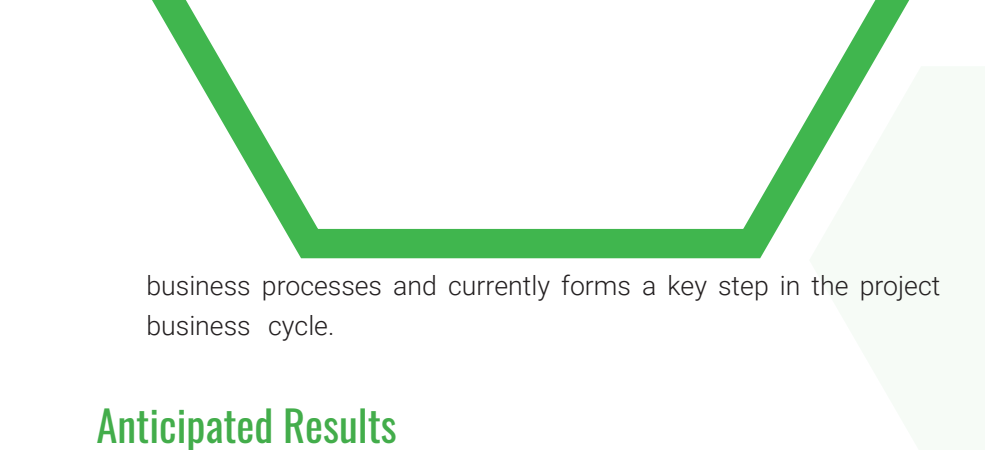
- The AWARE™ for Projects covers all IsDB sectors and sub-sectors as well as all geographic regions and locations.
- The AWARE™ for Projects is -based on evidence-based research, analysis and data collation procedures including multiple big climate data, geographic information system, on the ground research and validation in a unified system.
- The AWARE™ for Projects provides an easy-to use platform to analyze the climate risks of IsDB’s investments.
- The AWARE™ for projects climate risk screening forms part of the climate risk management process of the Bank using existing



**Initiative Date**  
**February 2019**

## Teams

- Resilience & Social Development (RSD)
- Operations Quality & Results (OQR)



business processes and currently forms a key step in the project business cycle.

## Anticipated Results

- Increased capacity of IsDB staff to identify climate risks.
- Build climate resilience of IsDB's investments in its Member Countries as well as building the resilience and climate proof beneficiary communities through financed operations.
- Increased knowledge of climate mainstreaming, as the tool provide an adequate knowledge on climate change risk (acute, chronic, medium and long-term risks) and vulnerabilities for project teams.

## Development Partners

Acclimatise Group Ltd, UK



**AWARE FOR PROJECTS™**  
FAST, COMPREHENSIVE  
CLIMATE RISK SCREENING

**“Mainstreaming  
adaptation and  
climate  
resilience into  
project design  
and  
implementation”**



# Development Impact of APIF

This publication aims to sensitize external and internal stakeholders on the unique model, key achievements and potential of Awqaf in general and Awqaf Properties Investment Fund (APIF) in particular as a unique development model adopted and encouraged by the IsDB. The Report is targeted at development institutions and impact investment partners, in an effort to mobilize additional resources for APIF while simultaneously promoting Awqaf as a development tool.



## Objective(s)

- To evaluate/asses the nature and extent of the impact that APIF projects had on beneficiary organizations and end-beneficiaries in Member Countries and Muslim Communities in Non-Member Countries.
- To provide a holistic perspective of APIF’s historical achievements and the development challenges it is addressing.
- To sensitize external and internal stakeholders on the role, operating model and achievements of APIF.

## Key Elements

This widely acclaimed publication titled “The Development Impact of the Awqaf Properties Investment Fund: A Model for Sustainable Development” provided insights into this unique development model, and included the following sections:

1. Introduction to the concept of Awqaf;
2. The relevance of Awqaf in general and APIF in particular to international development practice;
3. How the concept of Awqaf was operationalized as a development tool via APIF;
4. An overview of APIF’s portfolio and the social impact of selected beneficiaries;
5. A deep dive into specific case-study projects, including the most important lessons learnt from each selected intervention; and
6. Analysis of issues that may be of relevance to Awqaf in the years ahead.

## Unique Features

- This is the first time a comprehensive report on the development impact of APIF was produced.
- It provides the requisite evidence basis on the role of Awqaf in fostering long-term sustainability to development projects.
- This internally developed report features contributions from actual projects/beneficiaries.

**Initiative Date**

**December 2019**

## Teams

- Islamic Financial Sector Development (IFSD)



## Anticipated Results

- The showcasing of APIF and its socio-economic development impact adds to the current development discourse. It introduces to the development community the concept and potential of Awqaf as a form of Islamic Social Finance, which is supported by the documented impact of Awqaf projects.
- It also provides development practitioners familiar with Awqaf with lessons learned, best practices and applications of Awqaf investments.
- Among the key takeaways is the critical role of proper governance structures for efficient and sustainable Awqaf asset management.

## Development Partners

Islamic Research and Training Institute (IRTI) , First Abu Dhabi Bank (FAB)

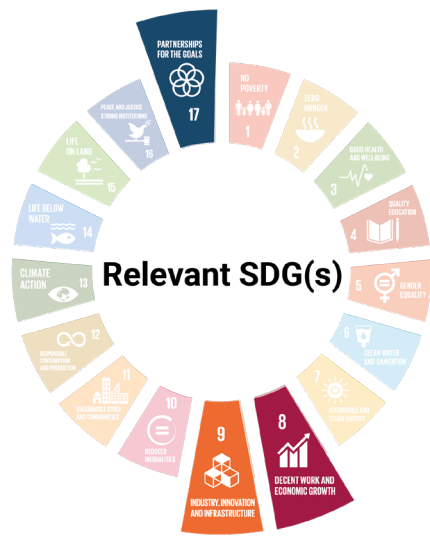
**“We  
empower  
Awqaf to  
enable the  
Ummah”**





# Development of a New Generation of MCPS Guidelines

The 1<sup>st</sup> edition MCPS Guidelines laid the foundations on how to conduct the first ever set of GVC analysis based MCPSs. Thus, the revamped Guidelines provides in-depth guidance and instruction on how to formulate the IsDB Group's jointly owned, Operational Strategy in each Member Country. In total, the process deals with identifying key GVCs; analyzing the scope of work necessary to upgrading their competitiveness by transforming selected industries, etc. As a consequence, the GVC based MCPSs are now expected to produce bankable projects which enable crowding in private financial resources, thereby "Making markets work for development". The initial methodology had therefore, to be revised in order to give greater prominence to the sector and thematic expertise available within the Global Practices to produce the requisite suite of interventions.



## Objective(s)

Revamping of the MCPS Process to deliver on the new GVC based MCPS in 4 pilot countries. Particularly to bring it in line with the new business model of the Bank of making markets work for development by supporting the competitiveness of MCs. The revamp was also mandated by the repeated lessons and recommendations from the independent evaluation functions of the Bank that requested for the new MCPS process to be more efficient, straightforward and proactive.

## Key Elements

The redesign and redevelopment of the new MCPS revised Guidelines including Delegation of Authorities, Process Flow and MCPS 3 Year Work Program Development Approach Framework. This new MCPS approach will be implemented in the 7 MCPS to be undertaken in 2020.

## Unique Features

The new GVC-based MCPS programming approach helps transform the IsDB into a network of developers that can fill financing gaps and utilize cutting-edge scientific, technological and innovative products in the interest of Member Countries. It leverages on the critical role of the private sector in development and are led by the Global Practices, leveraging on their sector and thematic expertise, while at the same time are fully supported by all the entities of the IsDB Group.

**Initiative Date**  
**July 2018**

## Teams

- Country Strategy & Cooperation (CSC)
- Economic Research & Institutional Learning (ERIL)
- Country Relations & Services
- Department of Strategy & Transformation (DoST)
- Global Practices

## Anticipated Results

Operationalizing the new development model of the IsDB in line with the P5P. Launch of a new generation of country strategies that leverages on internal expertise to make markets work for development and build strengthen value chains in Member Countries.

## Development Partners

Member Countries, International Islamic Trade Finance Corporation (ITFC), Islamic Corporation for the Development of the Private Sector (ICD), The Islamic Corporation for the Insurance of Investment and Export Credit (ICIEC) and The Islamic Research and Training Institute (IRTI)

**“A new generation of MCPS that focuses on making markets work for development”**





# Electronic Back to Office Report (BTOR) Platform

The BTOR is an important official document of the IsDB Group (IsDBG), which provides proceedings, conclusions, and recommendations of the meetings held between the IsDBG Management and staff with external stakeholders.

A comprehensive and enterprise-wide IsDBG BTOR Platform was developed to standardize the capturing of key knowledge arising from official IsDBG travel and make it accessible to the IsDBG.



## Objective(s)

The BTOR Platform enables establishing an efficient and easily accessible repository of key knowledge obtained in the course of travel on IsDBG official business while maintaining good governance and accountability.

## Key Elements

The cloud-based BTOR Platform offers a standardized process to capture knowledge before, during and after a mission and to share outcomes. It enables authenticated access to all IsDBG staff from anywhere using laptop, smartphone and tablet connected to the internet without VPN access. This ensures not only standardized knowledge sharing but also efficient and adequate management of the IsDBG missions and increasing visibility and accountability of plans and follow-up actions.

## Unique Features

The Platform acts as a centralized, one-stop shop providing an easy to use interface to track and aggregate mission knowledge while providing a systematic following-up and monitoring of all IsDBG official travel. It facilitates good governance, discipline, accountability, and makes the knowledge & learning from the IsDBG's business missions more easily accessible with an optimized search engine along with structured content that is labeled and taxonomized.

## Anticipated Results

Readily accessible knowledge and lessons learnt from official IsDBG travel to facilitate more informed decision making.

## Development Partners

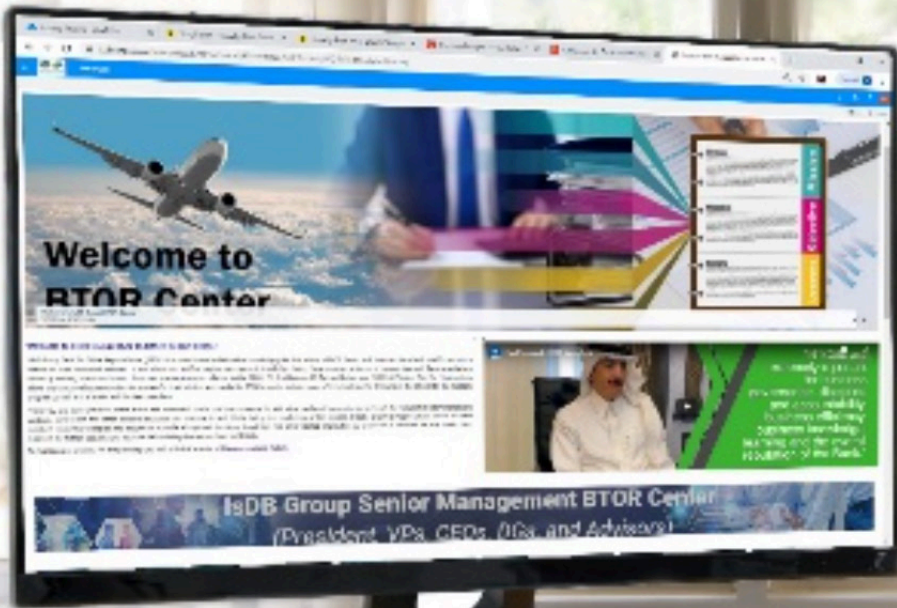
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**Initiative Date**  
**October 2019**

## Teams

- Economic Research & Institutional Learning (ERIL)



**“A one-stop shop to leverage on key knowledge obtained during official missions”**



# Energy Progress Report in Arab Region

As part of IsDB transformation toward becoming a bank for developers and in order to establish a platform for IsDB Member Countries to accelerate the achievement of the suitable development goals, the Bank has initiated a discussion with the SEforALL team for cooperation in establishing a regional hub for Middle East Region.

Consequently, IsDB signed a partnership agreement with SEforALL organization for the establishment of the “Middle East Regional Hub” hosted by the IsDB. In Sept. 2018, IsDB signed a partnership agreement with the United Nation for Economic and Social Commission for Western Asia (UN ESCWA) to join the “SEforAll Middle East Hub” as a way for fostering sub- regional and regional cooperation in the areas of access to energy services, energy efficiency and renewable energy.



## Objective(s)

Within the framework of the joint activities of “Sustainable Energy for All (SEforAll) Middle East Hub” hosted by IsDB, the Bank and the UN ESCWA have partnered to publish the “SDG7 Tracking: Energy Progress Report for the Arab Region” as a regional report tracking the progress of SDG7 targets in the Arab countries.

The report indicates the progress made so far in the Arab Countries compared to the world progress. The report is a tool to help strengthening proactive policy to improve energy security and enhance resilience to climate change and mainstream sustainable development goals into regional and national policy processes.

## Key Elements

The report indicates the progress made so far in the Arab Countries in realizing the SDG 7 targets compared to the world progress.

Overall, the Arab region is on track with its target of achieving universal access to electricity by 2030. The electrification rate of the Arab Countries reached 92.5% in 2017 from 88.4% in 2010, one of the most electrified regional group of countries in the developing world. 90% of electricity access deficit concentrated in three Arab Least Developed Member Countries LDMCs: Sudan, Yemen and Mauritania, mainly in rural areas. Around 38 million people lacked access to clean cooking and most of them are in the Arab LDMCs Mauritania, Sudan and Yemen. Globally, the share of renewables in total energy consumption reached almost 17.5%, while it remains marginal at around 10% in the Arab region. For Energy Efficiency, the Countries need to scale up the energy efficiency programs.



**Initiative Date**

**December 2019**

## Teams

- Economic & Social Infrastructure (ESI)

## Unique Features

The report acts as a guidance in the formulation of Energy interventions under IsDB's new MCPS approach and guides the relevant Member Countries in the development of their energy sector strategy.

## Anticipated Results

- Building the awareness of 23 Arab MCs on the updated status on the energy sector in those countries in terms of the progress made so far in the three main targets of SDG7 (Energy Access, Renewable Energy and Energy Efficiently).
- The Report outcome will be one of the foundations in building energy sector strategy between IsDB and the 23 MCs, and consequently the MCPSs with those countries.

## Development Partners

United Nation for Economic and Social Commission for Western Asia (UN ESCWA), Sustainable Energy for All (SEforALL)

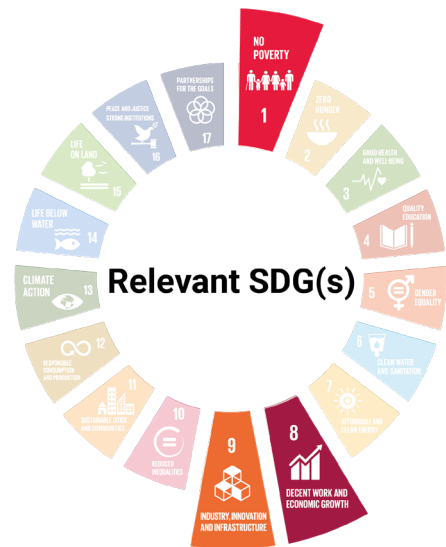


**“Helping  
strengthen  
policy to  
improve energy  
security and  
enhance climate  
resilience in  
regional and  
national policy  
processes”**



# Evolution of Indonesia's Participation in Global Value Chains

The last two decades have witnessed hyper-specialization and an explosion of trade largely driven by the growth in GVCs. The Report on "Evolution of Indonesia's Participation in Global Value Chains" is a result of collaboration between IsDB and Asian Development Bank (ADB) and focuses on enhancing compilation of national accounts and key indicators to help institutionalize statistical business registers and GVC statistics and analysis in IsDB Member Countries.



## Objective(s)

- Analyzing the state and evolution of Indonesia's participation in Global Value Chains (GVCs) since 2000 by employing well-structured economic data.
- Developing a framework for succinctly depicting value chain participation of the country's sectors and studying the consequent economic effects.



## Key Elements

The initiative focused on a comprehensive analysis of how GVCs may contribute to augment the cross-border production arrangement between Member Countries. In this specific study, the state and evolution of Indonesia's participation in GVCs since 2000 was analyzed. It emphasized the challenges and opportunities faced by current and emerging global phenomenon such as trade conflict and rapid automation of economies.

## Unique Features

- The initiative goes beyond building capacity in Member Countries, to analyze and understand the statistics, and empower evidence-based policy making at the country level.
- The initiative focuses on how GVCs may contribute to; and augment cross-border production along with the extent of a country's participation in GVCs.
- Collaborative effort with ADB to enhance compilation of national accounts and key indicators to help institutionalize statistical business registers and GVC statistics and analysis.

## Initiative Date

**January 2019**

## Teams

- Economic Research & Institutional Learning (ERIL)
- Regional Hub Indonesia

## Anticipated Results

The Report serves as a key resource to identify key trends in Indonesia's GVC participation and serves as a valuable reference for policy-makers and analysts in Indonesia and beyond. Among the key findings that Indonesia's participation in GVCs (forward, backward and overall) had declined, and this appeared to be related to the growth of the domestic sectors. The evidence basis provided by the study is an





important input into the policy decision making discussions and processes. In Indonesia.

The analysis showed that developing the manufacturing sector needs to be a policy priority, with a clear message to promote domestic value addition through manufacturing. It also highlighted the need for export promotion and greater GVC participation to enhance productivity and industrial competitiveness.

The study was well received by Policy makers, government officials and the academic community who lauded the timely study and confirmed its findings the along with opined that the publication was timely given the current global context.

Over and above the support for evidence-based policy making, as part of the skills and knowledge transfer, key officials and academia were trained in the latest cutting edge quantitative methods and techniques to better analyze economic globalization statistics.

### Development Partners

Asian Development Bank (ADB), Government of Indonesia

**“A framework for depicting value chain participation and evidence-based analysis in support of the P5P”**



# Informal Settlements in the Arab Region

Today, one in eight people live in informal areas worldwide and it is estimated that an additional 3 billion people will lack adequate housing by 2050. In the Arab region, with the advancement of social services and better job opportunities in main cities, labor migration increased within and across Arab countries. Additionally, displacement induced by man-made and natural causes resulted in imbalanced distribution of population densities between main and secondary cities/ communities. All of this led to the formation of various forms of informal areas which affect the quality of living, heritage and cultural values in many Arab cities.



## Objective(s)

The aim is to establish a regional informal settlements program based on an enhanced understanding of the substance, magnitude and socio-economic composition of informal areas in the Arab region and successful lessons learned from various partners. In addition, it is intended to establish a platform to build partnerships and collaboration across borders to enable monitoring and cross learning from implementation programs and support building comparable indicators in support to effective interventions.

## Key Elements

The joint publication by the IsDB & UN-Habitat on “Informal Settlements in the Arab region: Analysis and prospects” will provide insights into this key sector in the Arab region. It will also provide the evidence basis for the programme “Towards Arab Cities without Informal Ar-

## Unique Features

Slums upgrading and provision of social housing are key issues affecting all the IsDB’s Member Countries. For the first time, an extensive study on informal settlements in the Arab region is carried out which involves mapping, classification and diagnostic phases with the aim to provide innovative and sustainable housing solutions.

## Anticipated Results

- Publication of a book “Informal Settlements in the Arab Region: Analysis and Prospects”
- Launch of a Programme “Towards Arab Cities without Informal Areas”

## Development Partners

UN-Habitat



**Initiative Date**  
**July 2019**

## Teams

- Economic & Social Infrastructure (ESI)

**“Leveraging on lessons learnt to better tackle the challenge of informal settlements in the Arab region”**





# IsDB/ISFD NGO Empowerment for Poverty Reduction Program



Member Countries face meta-level and numerous socio-economic challenges. Among these are poverty, fragility, violent conflict, man-made and natural disasters, which often generate humanitarian crises including both internal displacement and refugee populations. Eight of the top twelve refugees hosting countries are IsDB Member Countries. Moreover, as per the recent World Bank harmonized list, 18 out of 36 fragile states are IsDB Member Countries. Civil Society Organizations (CSOs) are playing an important role in addressing the challenges through delivery of humanitarian aid and sustainable development interventions.

## Objective(s)

The Program aims at empowering Non-Governmental Organizations (NGOs) improve the socio-economic well-being of hard-to-reach communities through refugees' education, job creation, building resilience and community livelihoods development.



## Key Elements

The program will develop the necessary screening tools to objectively map and categorize NGOs/CSOs. It will include capacity-building of NGOs/CSOs to enable them to effectively and efficiently respond to the needs of the Member Countries. It targets transformative and innovative community empowerment projects that focus on humanitarian and development-related areas to reduce poverty. This will feed as success stories into the crowdfunding and aggregated platform to attract additional donors with a view to setting up sustainable financing mechanisms.

**Initiative Date**  
**February 2019**

## Teams

- Resilience & Social Development (RSD)
  - Islamic Solidarity Fund for Development (ISFD)
    - Regional Hubs

## Unique Features

The initiative goes beyond “business as usual” to support the development interventions through mapping, categorising, developing capacity and introducing innovative financing tools such as crowdfunding platforms and creative networks. The initiatives, for the first time, brings together non-traditional partners, development partners, international and national NGOs/CSOs to support hard-to-reach communities affected by fragility and conflict in Member Countries.

It provides, among others, access to a tailored distance learning portal, in Arabic, English and French, on development and humanitarian topics to empower over 500 NGOs/CSOs from the Member Countries. The Program has so far mobilized over US\$ 11 million from various development partners.

## Anticipated Results

- 115,000 young refugees and orphans will have access to quality education and skills development.
- 30% of targeted communities empowered.
- 3,000 low income families will have access to community livelihoods and jobs.
- 500 – 1,000 NGOs/CSOs Capacity Strengthened and contributed to improve the socio-economic wellbeing.

## Development Partners

United Nations Development Program (UNDP), African Development Bank (AfDB), UNHCR, Spark, Gen Blue Blockchain company, Symbiont, Sustainable Digital Finance, Islamic Chain, Foundation for Human Horizon, Humanitarian Leadership Academy, Save the Children, Plan International, BADEA, ex-Indiegogo, Cordoba House non-profit, Turkish Red Crescent and Regional Social Responsibility Network

**“Building capacity of NGOs/CSOs to enable them to better respond to the needs of member countries”**





# IsDB Resilience Report

The first IsDB Resilience Report highlights nine case studies, which assess critical factors of building resilience based on five dimensions including: (i) economic pressures; (ii) environmental and natural disasters; (iii) human security challenges; (iv) institutional and infra-structural capacity; and (v) forced migration, refugees and Internally Displaced People (IDP). It provides a summary of practical recommendations, which will assist the IsDB and its Member Countries to design policies, strategies, country engagements and programs for building resilience.



## Objective(s)

Resilience is considered a positive concept tackling violent conflict, fragility, poverty, natural and manmade disasters. Preventing, mitigating and tackling these challenges require new approaches that revolve around building resilience. In this regard, the IsDB Resilience Report aims at helping Member Countries and stakeholders to better understand resilience, make smart investments, and ensure efficient programming of those interventions.

## Key Elements

This report reviews global trends and then focuses on nine case studies: Indonesia, Turkey, Syria, Nigeria, Somalia, Jordan, Pakistan, Iraq, and Palestine. Common across the case studies is the importance of investing in education, preparedness, livelihoods development, gender, etc.

More importantly than what should be invested in, is how programs are designed and implemented. The report draws on the case studies to provide practical recommendations to improve the designs and results of the building resilience programs.

## Unique Features

This is the first flagship resilience report focusing on IsDB's Member Countries. There are significant information and literature on the causal factors and impact of the violent, fragility and risks facing many IsDB Member Countries. However, limited research and studies are providing concrete and practical solutions on building resilience to cope with risks and shocks in the Member Countries capitalizing on real case studies.

This report is, therefore, focusing on mapping resilience situation of the Member Countries individually and collectively, while highlighting resilience response interventions at national, regional and global levels.



## Initiative Date

**December 2019**

## Teams

- Resilience & Social Development (RSD)
- Economic & Social Infrastructure (ESI)
- Country Strategy & Cooperation (CSC)
- Economic Research & Institutional Learning (ERIL)
- Regional Hubs



## Anticipated Results

- Improved understanding of resilience, particularly how resilience works in different contexts, the difference between social capital and institutional capacity.
- Increased investments in resilience to support Member Countries manage risks and pressures posed by fragility, conflict and natural disasters.
- Provided practical recommendations for increasing financing and introducing tailored smart investments in building resilience to achieve SDGs.
- Enhanced program design for resilience to: (i) better design and implement programs and projects; (ii) make the investments in resilience successful in unpredictable and volatile environment; and (iii) look closely at the dilemma and trade-off that need to be weighed.

## Development Partners

African Development Bank (AfDB), Organization of Economic Cooperation and Development (OECD), United Nations Development Program (UNDP), Norwegian Refugees Council (NRC), Deutsche Gesellschaft für Internationale Zusammenarbeit, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) have validated the finding of the report.

**“Using case studies to support evidence based design of policies, strategies, country engagements and programs to build resilience”**



# Islamic Finance Reference Guide for Infrastructure PPP Projects

The need for infrastructure development remains one of the greatest global challenges for public policy with an estimated US\$ 90 trillion required for global infrastructure assets till 2030 (Bhattacharya, A., J. Oppenheim, and N. Stern. 2015)<sup>1</sup>. While the Islamic finance market can serve as a complementary source of finance for infrastructure development, its effective use and potential remains relatively untapped. This is largely due to a lack of awareness and the availability of a customizable toolkit or reference guide that can help reduce time and costs of Shariah compliant public-private partnerships (PPPs) transactions. The Reference Guide aims to address these gaps, answer various questions about Islamic finance, and offer guidance to investors and backers interested in participating in infrastructure PPPs funded with Islamic finance.

## Objective(s)

This publication provides a comprehensive practical reference guide for countries and institutions regarding the most important aspects of Islamic finance that relate to infrastructure PPPs.

## Key Elements

This publication highlights the role Islamic finance can play in the infrastructure financing challenge; the major players in the global Islamic finance industry; and the potential alternatives offered by Islamic finance to meet the public infrastructure financing challenge, and the Islamic finance structures for infrastructure PPP projects.

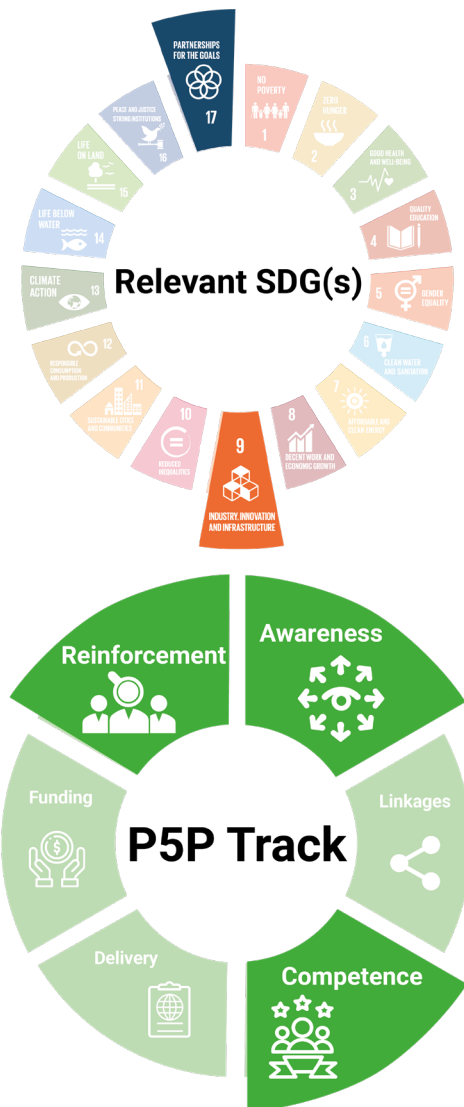
The Reference Guide includes detailed Shariah compliant PPP case studies on the Doraleh Container Terminal Project in Djibouti, Queen Alia International Airport in Jordan, the Foundation Wind Projects (Foundation Wind Energy-I Limited (FWEL-I) and Foundation Wind Energy-II (Private) Limited (FWEL-II) in Pakistan and the Konya PPP Health Campus Project in Turkey.

In addition, the Reference Guide provides a complete set of Islamic finance template agreements as practical tools which can be applied, with due modification, to a host of infrastructure projects.

## Unique Features

- Every year, IsDB Member Countries need to channel between US\$ 700 billion and US\$ 1 trillion into crucial SDG sectors (PP 31, IsDB Annual Report, 2018). Infrastructure, by far the most capital-consuming sector, will attract roughly three out of every four dollars of total SDG financing needs in OIC Member Countries (McKinsey, 2016).

<sup>1</sup>Driving Sustainable Development through Better Infrastructure: Key Elements of a Transformation Program." Global Economy & Development Working Paper 91, Brookings Institution, Washington, DC.




## Initiative Date

**March 2020**

## Teams

- Islamic Financial Sector Development (IFSD)
- Economic & Social Infrastructure (ESI)
  - Legal Division





This Reference Guide will help Member Countries tap into Islamic Finance to fill their infrastructure financing gap. It is the first guide of its kind with legal templates to provide practical guidance to undertake PPP projects under Islamic Finance.

- The Reference Guide is a joint effort between the World Bank and the IsDB.

## Anticipated Results

The Reference Guide is expected to be used by Development and Financial Institutions and Member Countries and non-Member Countries in designing future Infrastructure PPP projects involving Islamic Finance.

## Development Partners

The World Bank

**“Providing practical guidance for Islamic financing of infrastructure PPPs”**



# Library Modernization

Transforming the IsDB Group Library into 21<sup>st</sup> century e-library with a focus on digital platforms and participatory learning commenced early 2019. The need for this transformation stems from the necessity to remodel the IsDB Group Library to become more efficient and responsive to the changing and evolving business requirements of the IsDB Group.



## Objective(s)

The IsDB Library is striving to become a 21<sup>st</sup> century e-library with focus on digital platforms and participatory learning.

## Key Elements

A comprehensive weeding program was conducted to remove a large number of obsolete and irrelevant books from the shelves to allow for acquisition of new up-to-date books on key topics and new trends.

The interior space of the Library was also renovated and redesigned to accommodate more common reading areas and space for knowledge sharing activities.

## Unique Features

The internally planned and executed modernization effort resulted in the first ever comprehensive weeding of a 40-year old collection. This has resulted in the Library being better equipped to address the changing knowledge and information needs of the IsDB Group.

A key feature of the initiative is the creation of a full-fledged digitized library and information services.

## Anticipated Results

Credible and up-to-date information and knowledge resources are now readily available and easily accessible for all IsDBG staff. This will enable staff to keep abreast of latest developments in their respective work areas and specializations and facilitate more effective and informed decision making.

## Development Partners

The World Bank e-Library, International Monetary Fund e-Library, The Organisation for Economic Co-operation and Development i-Library



## Initiative Date

**December 2019**

## Teams

- Economic Research & Institutional Learning (ERIL)
- Administrative Services
- Human Resources Management



**“Creating a 21<sup>st</sup> century library  
to cater for the needs of the  
IsDB Group”**

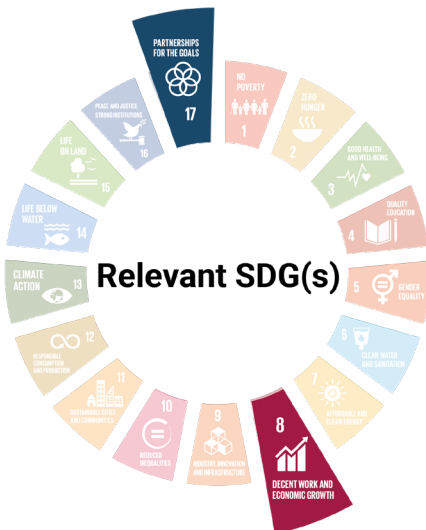


# Private Sector Engagement through Reverse Linkage

Engaging the private sector in socio-economic development is key in order to benefit from their vast financial resources, higher quality technical expertise as well as more agile implementation mechanisms. The Bank's Member Countries have a wealth of untapped know-how, expertise and resources that can be used to solve development challenges if harnessed in an effective manner. These resources can be tapped into through public and private-sector led mechanisms while using South-South and Triangular Cooperation (SSTrC).

The Bank's new strategic orientation, as outlined in the P5P, calls for market-driven development, which implies a bigger role to be taken by the private sector. Among the tools that the Bank has to engage with the private sector is the Reverse Linkage mechanism, which can be used to mobilize private sector resources to boost development while promoting SSTrC among its Member Countries.

To operationalize this approach, the Bank designed a mapping methodology which provides an objective and standardized process for identifying "Resource Centers". These Resource Centers are institutions/developers and companies that have proven expertise and know-how in a key area of development. This methodology results in a report that identifies the key sectors of expertise of a given member country and provides the profiles of each Resource Center under each sector of expertise, essentially creating a national database of expert institutions that can be tapped into as providers in SSTrC interventions. Initially, the mapping focused on public institutions and has since expanded to include the identification of developers from the private sector and the third sector (including civil society).



**Initiative Date**  
**April 2019**

## Teams

•Country Strategy & Cooperation (CSC)

## Objective(s)

The objective of this initiative is to strengthen the engagement with the private sector in Member Countries and beyond in order to mobilize, in a more effective and efficient manner, technical expertise and financial resources to solve development challenges, including in promoting GVC-based development as envisioned in the new P5P.

## Key Elements

This initiative uses the Bank's Reverse Linkage mechanism as a tool to engage the private sector in development through SSTrC.

## Unique Features

The Reverse Linkage mechanism, and the mapping methodology for identifying suitable Resource Centers in the private as well as the public sectors are unique tools that were developed through in-house expertise and experience.

## Anticipated Results

In 2019, the mapping study of Malaysian Resource Centers provided a larger share of private sector institutions. Subsequently, the Bank leveraged its Reverse Linkage modality as a tool to build relations and open new markets for Malaysian counterparts, which resulted in the establishment of funding mechanisms with a total financial contribution of US\$45 million to benefit Member Countries. In particular, the IsDB signed an agreement with Serba Dinamik Group Berhad, an energy sector private company in Malaysia, to set up a US\$ 30 million funding facility to provide financial and technical resources to support IsDB Member Countries to establish vocational training centers in the energy sector to support employment creation, among others.

In addition, the Bank signed an agreement with Warisan Quantum Management, a Malaysian Shariah compliant private equity management company, to set up a USD 15 million funding facility to support Malaysian SMEs interested in participating in Reverse Linkage activities and potential business opportunities through positive spillover effects as a result of Reverse Linkage interventions.

The Bank continues to undertake new mapping studies in Member Countries, adding new Resource Centers from the private as well as public sectors to its database of expert institutions. As these studies expand, they will provide new channels of collaboration with the private sector of the IsDB Member Countries which can lead to more technical and financial resources to be leveraged and utilized to achieve national development objectives in the Member Countries.

## Development Partners

Resource Centers identified in the mapping studies of the Bank

**“Strengthening engagement with the private sector to mobilize expertise and financial resources to solve development challenges”**





# Reverse Linkage e-Learning Package

With the range and scale of development challenges facing the Bank's Member Countries, there is a significant need for identifying relevant solutions which can be transferred among them for mutual benefits. However, there is a significant knowledge gap inside and outside the Bank in how to practically engage two or more Member Countries in a South-South Cooperation intervention. To address this knowledge gap, a comprehensive e-learning package was developed. This package describes how to identify, formulate and implement projects through the Reverse Linkage, which is an enhanced South-South Cooperation mechanism.

The knowledge presented in this package will enable both the IsDB and Member Countries utilize the Reverse Linkage modality more effectively as a means to exchange development solutions. It will, thus, contribute to enhancing solidarity among the Bank's Member Countries.



## Objective(s)

- To mainstream the Reverse Linkage mechanism in the IsDB's sectoral operations, given its effectiveness in exchanging developmental solutions across Member Countries.
- To provide guidance to IsDB staff on how to formulate and implement Reverse Linkage projects.

## Key Elements

The initiative resulted in two key deliverables:

- **Reverse Linkage e-modules:** these are eight video-based, self-paced e-learning modules describing the end-to-end process of identifying, formulating and implementing a Reverse Linkage project.
- **Reverse Linkage Interactive Operational Manual:** this PDF-based manual works as self-contained website allowing the reader to go through the activities of Reverse Linkage along with 16 practical tools.

**Initiative Date**  
**April 2019**

## Teams

- Country Strategy & Cooperation (CSC)
- Economic Research & Institutional Learning (ERIL)

## Unique Features

It is the first time the IsDB produced a step-by-step methodology for engaging Southern countries in demand-driven and development-focused interventions. The initiative produces new knowledge that puts into action the principles of South-South Cooperation. This is also a pioneering approach within the IsDB to produce video-based e-learning materials where IsDB staff themselves share their knowledge and experience to the audience.

## Anticipated Results

The e-Learning platform will help build the skills and knowledge of IsDB staff as well as relevant professionals in the Member Countries and development partners to formulate and implement Reverse Linkage projects. Through this initiative, the IsDB will enhance its global position as a knowledge provider and promoter of South-South Cooperation, thereby strengthening solidarity in development.

## Development Partners

LEO Learning

“Enable both the IsDB and Member Countries to increase the utilization of the Reverse Linkage modality as a mean for exchanging developmental solutions”

Reverse Linkage

5 Containers 40 Resources 270 Views

Reverse Linkage

E-learning package, overview materials, project leaflets, and project short films.

Created: 6 months ago by Anisara Hossain  
Modified: 10 days ago by Sarah Hossain

3:00 hr  
40 Resources

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**Reverse Linkage E-learning Package**  
This course is designed to take you through the entire process that we use and advocate for at the Islamic Development Bank for formulating Reverse Linkage interventions.

**Overview Materials**  
The IsDB Reverse Linkage Policy, overview about Reverse Linkage and animated info-graphic about its evolution.

**Project Leaflets**  
Leaflets about selective Reverse Linkage projects. Each leaflet describes the challenge, supply, matchmaking, activities and wins of certain project.

**Project Films**  
Short documentary films about selective Reverse Linkage projects.



# Unlocking Energy Access Finance through Crowdfunding

Around 840 million people still live without electricity, out of which, 75% are rural households. Lack of sufficient financing to avail electricity, especially in rural areas, is key challenge to achieving the goal of universal access to electricity by 2030 (SDG 7.1.1). On the other hand, the cost reductions seen in renewable energy technologies, especially on Solar Home Systems (SHSs) created new market and opportunities. Few SMEs specialized in distributing SHSs to rural households, sighted huge potential and opportunity to penetrate a very large market in Sub-Saharan Africa (SSA).



## Objective(s)

One of the IsDB's value propositions is to play a catalytic role to facilitate cooperation among developers at every step of the development cycle. Crowdfunding is recognized as one means to creating linkages and partnerships that offer resource mobilization services for Member Countries. In this context, the IsDB approved financing of Euro 1 million with the ultimate objective to attract and positively influence the decisions of the crowd investors to support the platform's campaigns through extending Murabaha financing to SMEs that aim at providing clean electricity services to rural households and small businesses. To this end, the partnership with the crowdfunding platform "TRINE" was developed paving the road towards further partnerships with SMEs in the development arena.



## Key Elements

The crowdfund platform, TRINE, has recognized the working capital challenge faced by the SMEs as a niche market. TRINE's mandate is to address the global problem of "lack of access to capital for the off-grid solar energy sector". It believes that "all people should have access to clean energy" and its mandate is centered on supporting the SMEs whose business is mainly distributing SHSs to rural households through financing the purchase of these systems.

## Unique Features

- The new business model repositions IsDB's value proposition towards a catalytic role that facilitates cooperation among developers at every step of the development cycle.
- The successful outcome of this pilot project will inspire supporting other crowdfunding platforms in various geographies and sectors and, most importantly: (i) enabling pro-Islamic finance investors around the world to participate in crowdfunding transactions by developing Islamic tranches within such platforms (globally, only 10 noteworthy platforms are operating in compliance with Sharia'ah requirements); and (ii) mobilizing more off-balance sheet resources.

## Initiative Date

**September 2019**

## Teams

- Economic & Social Infrastructure (ESI)
- Resilience & Social Development (RSD)
- Crowd Engagement & External Funds Management (CEEFM)
  - Risk Management (RM)
  - Legal Division
- Shari'ah Compliance Section



## Anticipated Results

It is estimated that each Euro extended by the IsDB will attract up to Euros 3 from the crowd investors. This pilot project is expected to connect around 50,000 people with electricity and avoid around 14,000 tons of CO2 emissions. Both IsDB and crowd funders will earn mark-up of +7% annually (with a maximum tenor of 5 years). The IsDB involvement will have a critical de-risking role to attract more and more of the crowds' savings that could make tangible difference. The IsDB is partnering with UNDP to assess the impacts of IsDB -financed campaigns using UNDP's Climate Action Impact Tool. This will provide investors, both crowd and institutional, to monitor the investment impacts on achieving SDGs targets.

## Development Partners

United Nations Development Programme (UNDP)

**“Using  
crowdfunding  
to mobilize  
resources to  
support elec-  
trification for  
all.”**





# About the Islamic Development Bank

The Islamic Development Bank (IsDB) is a multilateral development bank that has been working for over 40 years to improve the lives of the communities it serves by delivering impact at scale. We bring together 57 Member Countries across four continents, touching the lives of 1 in 5 of the world's population. The IsDB is headquartered in Jeddah, Saudi Arabia with hubs in Bangladesh, Egypt, Indonesia, Kazakhstan, Morocco, Nigeria, Senegal, Suriname, Turkey, U.A.E., and Uganda. Our mission is to equip people to drive their own economic and social progress at scale, putting the infrastructure in place to enable them to fulfil their potential.



Key Achievements 2019

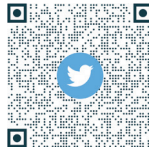
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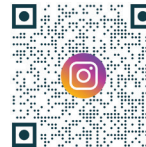
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