

# 2021 ANNUAL REPORT



**BEYOND  
RECOVERY:  
RESILIENCE AND  
SUSTAINABILITY**

# CORPORATE PROFILE

## THE ISLAMIC DEVELOPMENT BANK

### ESTABLISHMENT

The Islamic Development Bank (IsDB) is a Multilateral Development Bank established pursuant to Articles of Agreement signed in the city of Jeddah, Kingdom of Saudi Arabia, on 21 Rajab 1394H, corresponding to 12 August 1974. The Inaugural Meeting of the Board of Governors took place in Rajab 1395H (July 1975), and the IsDB formally began operations on 15 Shawwal 1395H (20 October 1975).

### VISION

The Islamic Development Bank strives to become a world-class development bank, inspired by Islamic principles, that helps to significantly transform the landscape of comprehensive human development in the Muslim world and to restore its dignity.

### MISSION

To promote comprehensive human development, with a focus on the priority areas of alleviating poverty, improving health, promoting education, improving governance, and bringing prosperity to the people.

### MEMBERSHIP

The IsDB has 57 member countries across various regions. The prime conditions for membership are that the prospective country should be a member of the Organisation of Islamic Cooperation (OIC), that it pays the first instalment of its minimum subscription to the Capital Stock of the IsDB, and that it accepts any terms and conditions that may be decided upon by the Board of Governors.

### CAPITAL

At its 45th Annual Meeting, the IsDB's Board of Governors approved (via circulation) the 6th General Capital Increase of ID5.5 billion. As at the end of 2021, the subscribed capital of the IsDB stood at ID50.6 billion.

### ISLAMIC DEVELOPMENT BANK GROUP

The IsDB Group comprises five entities: the Islamic Development Bank (IsDB), the Islamic Development Bank Institute (IsDBI), the Islamic Corporation for the Development of the Private Sector (ICD), the Islamic Corporation for the Insurance of Investment and Export Credit (ICIEC), and the International Islamic Trade Finance Corporation (ITFC).



### HEADQUARTER AND REGIONAL HUBS

The IsDB is headquartered in Jeddah, the Kingdom of Saudi Arabia, and has 10 Regional Hubs in Abuja, Nigeria; Almaty, Kazakhstan; Ankara, Turkey; Cairo, Egypt; Dakar, Senegal; Dhaka, Bangladesh; Jakarta, Indonesia; Kampala, Uganda; Paramaribo, Suriname; and Rabat, Morocco with a Centre of Excellence in Kuala Lumpur, Malaysia.

### FINANCIAL YEAR

The IsDB's financial year used to be the lunar Hijra Year (H). However, on 1 January 2016, the financial year was changed to the Solar Hijra year starting from 11th of Capricorn (corresponding to 1 January) and ending on 10th Capricorn (corresponding to 31 December of every year).

### ACCOUNTING UNIT

The accounting unit of the IsDB is the Islamic Dinar (ID), which is equivalent to one Special Drawing Right (SDR) of the International Monetary Fund.

### LANGUAGE

The official language of the IsDB is Arabic, but English and French are also used as working languages.

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ





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# ABBREVIATIONS

<b>AFAB</b>	The Alliance to Fight Avoidable Blindness	<b>LLF</b>	The Lives and Livelihoods Fund
<b>ADER</b>	Annual Development Effectiveness Report	<b>MCH</b>	Maternal and Child Health
<b>AIH</b>	Agro-Industrial Processing Hub	<b>MENA</b>	Middle East and North Africa
<b>ALAE</b>	Asia, Latin America & Europe	<b>MCs</b>	Member Countries
<b>APIF</b>	Awqaf Properties Investment Fund	<b>MCPS</b>	Member Country Partnership Strategy
<b>ATC</b>	Agricultural Transformation Centre	<b>MDHP</b>	Mohmand Dam and Hydropower Project
<b>BCM</b>	Business Continuity Management	<b>MIGD</b>	Million Imperial Gallons per day
<b>BED</b>	The IsDB Board of Executive Directors	<b>MSMEs</b>	Micro, Small and Medium Enterprises
<b>BoG</b>	The IsDB Board of Governors	<b>NDC</b>	Nationally Determined Contribution
<b>CAREC</b>	Central Asia Regional Economic Cooperation	<b>NGO</b>	Non-Governmental Organisation
<b>CFA</b>	Crowdfunding Educational Academy	<b>NMCs</b>	Muslim Minority Communities in Non-member Countries
<b>CGF</b>	IsDB Group's COVID Guarantee Facility	<b>NMGP</b>	The Nigeria-Morocco Gas Pipeline
<b>CWIS</b>	City-wide Inclusive Sanitation	<b>OCR</b>	IsDB - Ordinary Capital Resources
<b>CHW</b>	Community Health Worker	<b>ODEC</b>	Operations and Development Effectiveness Committee
<b>CCR</b>	Compliance Country Report	<b>OIC</b>	Organization of the Islamic Cooperation
<b>CRMf</b>	Comprehensive Climate Risk Management Framework	<b>OPAM</b>	Office des Produits Agricoles du Mali
<b>COMSTECH</b>	Organization of Islamic Cooperation's Standing Committee on Scientific and Technological Cooperation	<b>OPHI</b>	The Oxford Poverty and Human Development Initiative
<b>EDM</b>	Energie du Mali	<b>PPP</b>	Public-Private Partnership
<b>EDP</b>	e-Disbursement Platform	<b>3Rs</b>	Respond, Restore and Restart
<b>EMDEs</b>	Emerging Markets and Developing Economies	<b>RCSA</b>	Risk Control and Self-Assessment
<b>EmONC</b>	Emergency Obstetrical and Neonatal Care	<b>RMC</b>	Risk Management Committee
<b>EWASME</b>	Empowering West African Women Small and Medium Enterprises in Rice Value Chains	<b>RMSF</b>	Retirement Medical Solidarity Fund
<b>FCS</b>	Fragile and Conflict-Affected Situation	<b>SBDW</b>	Standard Bidding Documents for Procurement of Works
<b>FDI</b>	Foreign Direct Investment	<b>SCI</b>	Special Capital Increase
<b>FEED</b>	Front-End Engineering Design	<b>SDGs</b>	Sustainable Development Goals
<b>FMSDC</b>	Facility Management & Service Delivery Centre	<b>SERVE</b>	IsDB-ISFD Strengthening the Economic Resilience of Vulnerable Enterprises
<b>FRA</b>	Fragility and Resilience Assessment	<b>SFF</b>	Sustainable Finance Framework
<b>GABAC</b>	Group against Money Laundering in Central Africa	<b>SIF</b>	Secours Islamique France
<b>GAVI</b>	Gavi Vaccine Alliance	<b>SMEs</b>	Small and Medium Enterprises
<b>GCF</b>	The Green Climate Fund	<b>SOFF</b>	UN-led Systematic Observations Financing Facility
<b>GCI</b>	General Capital Increase	<b>SOFR</b>	Secured Overnight Financing Rate
<b>GDP</b>	Gross Domestic Product	<b>SPRP</b>	IsDB Group Strategic Preparedness and Response Programme
<b>GSA</b>	Group Synergy Agenda	<b>SSA</b>	Sub-Saharan Africa
<b>HSC</b>	Health Services Centre	<b>TA</b>	Technical Assistance
<b>ICD</b>	The Islamic Corporation for the Development of the Private Sector	<b>TCP</b>	Technical Cooperation Programme
<b>ICERI</b>	ICIEC-ISFD COVID Emergency Response Initiative	<b>TVET</b>	Technical and Vocational Education and Training
<b>ICIEC</b>	The Islamic Corporation for the Insurance of Investment and Export Credit	<b>TWAS</b>	The World Academy of Sciences
<b>ICMA</b>	The International Capital Market Association	<b>UEMOA</b>	West African Monetary and Economic Union
<b>ICT</b>	Information, Communications and Technology	<b>UOSSM</b>	Union of Medical Care and Relief Organisation
<b>ID</b>	Islamic Dinar (equivalent to one Special Drawing Right of IMF)	<b>WAPDA</b>	Water and Power Development Authority of Pakistan
<b>IITA</b>	International Institute of Tropical Agriculture	<b>WASH</b>	Water Sanitation Hygiene
<b>IIFA</b>	The International Islamic Fiqh Academy	<b>We-Fi</b>	The Women Entrepreneurs Finance Initiative
<b>IOTA</b>	Institut d'Ophthalmologie Tropicale d'Afrique	<b>YDF</b>	Youth Development Forums
<b>IsDB</b>	The Islamic Development Bank	<b>YLDP</b>	Youth Leadership Development Programme
<b>IsDBG</b>	IsDB Group		
<b>IsDBI</b>	The Islamic Development Bank Institute		
<b>ISFD</b>	Islamic Solidarity Fund for Development		
<b>ITFC</b>	The International Islamic Trade Finance Corporation		
<b>IVAC</b>	IsDBG Vaccine Access Facility		
<b>IWPP</b>	Independent Water and Power Project		
<b>KAAP</b>	King Abdullah bin Abdul Aziz Program for Charity Works		
<b>KRI</b>	Key Risk Indicators		
<b>LDMCs</b>	Least Developed Member Countries		
<b>LDP</b>	Leadership Development Programme		
<b>LIBOR</b>	London Interbank Offered Rate		

# ACKNOWLEDGEMENTS

The 2021 Annual Report of the Islamic Development Bank was prepared by the Economic Research & Statistics of the Islamic Development Bank Institute based on the overall guidance of the Board of Executive Directors

**UNDER THE SUPERVISION OF:**

The Director General of IsDBI/Chief Economist IsDB Group and Director Economic Research & Statistics

**ADVISORY SUPPORT FROM:**

The Executive Office of the President, Group General Secretariat

**WITH INPUT FROM:**

Various Departments and Entities, including EOP, of the IsDB Group

**REPORT COORDINATOR:** Bukhari M. S. Sillah

**DATA TEAM:** Abu Camara, Mohamed El-Gousi, Ali Rashed and Novia Budi Parwanto

**TRANSLATION:** Language Services Division of the Group General Secretariat

**FINANCE TEAM:** Fatih Kazan, Abdulkadir Farah and Aboubacar S. Kante

**ADMINISTRATIVE SUPPORT TEAM:** Abdul Rashid and Abdeljabar Bouani

**In the Name of Allah, the Beneficent, the Merciful**

H.E. the Chair,  
Board of Governors of the Islamic Development Bank

Dear Chair,

***Assalamu alaikum warahmatullahi wabarakatuhu***

In accordance with Articles 32(i), 32(iii) and 41(1) of the Articles of Agreement establishing the Islamic Development Bank and Section (11) of the By-laws, I have the honour to submit for the kind attention of the esteemed Board of Governors, on behalf of the Board of Executive Directors, the Annual Report on the operations and activities of the Bank in 2021.

The Annual Report also includes the audited financial statements of the Bank as well as those of the operations of the Waqf Fund, as prescribed in Section (13) of the By-laws.

Please accept, Madam Chair, the assurances of my highest consideration.



**Dr. Muhammad Al Jasser**  
President, Islamic Development Bank  
Chairman, Board of Executive Directors



# MESSAGE FROM THE PRESIDENT

Economic recovery prospects in 2021 were disrupted by the emergence of new COVID variants and rising inflation around the world. Today, the pace of recovery remains uneven. Indeed, the COVID-19 pandemic has exposed and amplified challenges related to inequalities, macroeconomic vulnerabilities, debt sustainability and inadequate health systems. The vaccine divide remains particularly challenging.

Our member countries have been very exposed to the impacts of the pandemic and many are not adequately equipped to face its challenges. Over 51 million people in our member countries have been pushed into extreme poverty. About three out of four IsDB member countries are dependent on commodity exports, and more than one-third are in fragile and conflict-affected situations. To tackle these and other development challenges, we need to look beyond mere recovery and ensure that we build resilience and help chart a long-term sustainable growth path for our member countries.

Business-as-usual is not an option if we wish to create lasting change. We must be nimble and responsive, constantly looking for ways to improve our institution to ensure that we stay relevant to our member countries. Consultations with stakeholders from member countries during the 2021 Annual Meetings were fruitful. They identified a common, overarching need to focus on three priority areas: Boosting COVID-19 Recovery, Tackling Poverty & Building Resilience, and Driving Green Economic Growth. These priorities have framed our work to update and reinvigorate the Bank's 10-Year Strategy (2015-2025) to align it with the aspirations of our member countries. High priority has been assigned to developing sustainable infrastructure and human capital as foundational pillars for a sustainable future.

Our focus in 2021 was largely on financing post-COVID-19 recovery, with annual IsDB Group approvals of ID6.3 billion (US\$8.8 billion) for the year. This surpassed the pre-pandemic Group approval level of ID5.7 billion (US\$7.9 billion) in 2019, and the ID4.8 billion (US\$6.9 billion) approved in 2020. With most member countries facing a slow recovery in 2021, the IsDB Group continued with its Strategic Preparedness and Response Programme (SPRP), comprising the three tracks of Respond, Restore and Restart (the 3Rs). The SPRP operations are estimated to have benefited 59 million people through vaccinations, facilitating food security, creating jobs, supporting health workers, reinforcing education, and financing businesses.

IsDB has also created a Sustainable Finance Framework (SFF) focusing on green and sustainable finance that enables it to issue Green and Sustainability Sukuk to mobilise resources from the global capital markets. The Bank has so far mobilised over US\$5 billion through its



Green and Sustainability Sukuk, of which US\$2.5 billion was raised in 2021. This reflects a deep commitment to implementing the 2030 Agenda for Sustainable Development and to nurturing strong partnerships to achieve those goals.

We are grateful for the confidence shown in the Bank by our shareholders, who approved the 6th General Capital Increase and have confirmed their subscription to it. Payments will commence in January 2023. This support is extremely crucial to further bolster the Bank's efforts as we move from "pandemic" to "endemic" and look beyond recovery to focus on building resilience and charting a long-term sustainable growth path for our member countries on their quest to achieving the Sustainable Development Goals. The support and commitment of our member countries has contributed to all four rating agencies (Standard & Poor's Global, Moody's Investors Service, Fitch Ratings, and the Malaysian Rating Corporation) affirming the IsDB's "AAA" rating with a "stable" outlook in 2021.

Our achievements have been made possible by the commitment and dedication of the IsDB staff at all levels. The Work-from-Home policy to safeguard the safety and security of our staff was maintained in 2021.

We will continue to rely on the critical, creative, and diverse thinking of our staff to deliver on our mandate. Our member countries have placed their trust in our institution, and the Islamic Development Bank remains committed to helping them navigate a path through the current crises and beyond, providing the support and assistance needed to build resilience and achieve a sustainable and inclusive recovery.

**Dr. Muhammad Al Jasser**  
President, Islamic Development Bank  
Chairman, Board of Executive Directors

# BOARD OF EXECUTIVE DIRECTORS



**DR. MUHAMMAD AL JASSER**  
PRESIDENT, ISLAMIC DEVELOPMENT  
BANK AND CHAIRMAN, BOARD OF  
EXECUTIVE DIRECTORS



**HON. HAMED ARABI ELHOUDERI**  
FROM: LIBYA  
REPRESENTING: LIBYA



**HON. ŞAKIR ERCAN GÜL**  
FROM: TURKEY  
REPRESENTING: TURKEY



**HON. ABBAS MEMAR NEJAD**  
FROM: IRAN  
REPRESENTING: IRAN



**HON. ABDUL GHAFFAR  
AL-AWADHI**  
FROM: KUWAIT  
REPRESENTING: KUWAIT



**H.E. DR. HAMAD SULEIMAN  
AL BAZAI**  
FROM: SAUDI ARABIA  
REPRESENTING: SAUDI ARABIA



**HON. DR. NADA MASSOUD**  
FROM: EGYPT  
REPRESENTING: EGYPT



**HON. KHALAF SULTAN AI  
DHAHERI**  
FROM: UNITED ARAB EMIRATES  
REPRESENTING: UNITED ARAB  
EMIRATES



**HON. BADER AHMED  
AL-EMADI**  
FROM: QATAR  
REPRESENTING: QATAR



**HON. DR. MAHMOUD  
ISA-DUTSE**  
FROM: NIGERIA  
REPRESENTING: NIGERIA



**HON. ERIC MBAIHASRA**  
FROM: CHAD  
REPRESENTING: UGANDA, CHAD,  
GABON, DJIBOUTI, COMOROS,  
MOZAMBIQUE, SOMALIA



**HON. KHALIFA SARR**  
FROM: SENEGAL  
REPRESENTING: BURKINA FASO,  
TOGO, THE GAMBIA, SENEGAL,  
MALI, NIGER



**HON. ISSA JANDI**  
FROM: GUINEA BISSAU  
REPRESENTING: BENIN, GUINEA,  
GUINEA BISSAU, SIERRA LEONE,  
CAMEROON, COTE D'IVOIRE



**HON. LAAZIZ FAID**  
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REPRESENTING: TUNISIA,  
ALGERIA, MOROCCO,  
MAURITANIA



**HON. DR. AMMAR HAMAD  
KHALAF IBRAHIM**  
FROM: IRAQ  
REPRESENTING: JORDAN, SYRIA,  
IRAQ, PALESTINE, LEBANON



**HON. HASSAN JAAFAR  
ABDULRAHMAN**  
FROM: SUDAN  
REPRESENTING: SAUDI ARABIA,  
SUDAN, OMAN, YEMEN



**HON. MIAN ASAD HAYAUD DIN**  
FROM: PAKISTAN  
REPRESENTING: AFGHANISTAN,  
PAKISTAN, BANGLADESH,  
THE MALDIVES



**HON. MRS. ANUSKA  
RAMDHANI**  
FROM: SURINAME  
REPRESENTING: INDONESIA,  
BRUNEI DARUSSALAM,  
SURINAME, MALAYSIA, GUYANA



**HON. TAMERLAN TAGHIYEV**  
FROM: AZERBAIJAN  
REPRESENTING: AZERBAIJAN,  
ALBANIA, UZBEKISTAN,  
TURKMENISTAN, TAJIKISTAN,  
KAZAKHSTAN, KYRGYZ

The Board of Executive Directors (BED) is the body responsible for the direction of the general operations and policies of the Bank. The term of office for members of the BED is a renewable period of three years.

# EXECUTIVE SUMMARY: A YEAR-IN-REVIEW



The support of the IsDB Group (IsDBG) has been critical in ensuring that member countries remain on a trajectory of recovery and long-term growth.

The anticipated recovery from COVID-19 in 2021 was disrupted by the arrival of new variants and high inflation. Several countries reimposed mobility restrictions, while escalating energy prices and supply disruptions have produced high and broad-based inflation. The repercussions of the pandemic have stifled growth, with the aggregated output of IsDB member countries contracting by 1.7 percent in 2020.

The support of the IsDB Group (IsDBG) has been critical in ensuring that member countries remain on a trajectory of recovery and long-term growth. With this in mind, IsDBG's net approvals in 2021 totalled ID6.3 billion (US\$8.8 billion). This support falls under three broad areas: Combating the Pandemic and Poverty; Building Green, Resilient, Inclusive, and Sustainable Economies; and Improving Institutional Effectiveness.

**Highlights of our work in these three areas are set out here.**

## COMBATING THE PANDEMIC AND POVERTY

- In 2021, the Board of Executive Directors (BED) approved the extension of the Strategic Preparedness and Response Programme (SPRP), including the IsDBG Vaccine Access Facility (IVAC). Through the extension, the IsDBG has increased its financing commitment from US\$2.27 billion in April 2020 to US\$4.43 billion, of which US\$770 million would be the volume of business insured by ICIEC. The total amount of financing approved by the IsDBG increased to US\$3.36 billion compared to US\$3.1 billion in 2020.
- The IVAC programme covers vaccine deployment, vaccine procurement, and vaccine manufacturing support. The Bank has approved three projects under IVAC. These projects are in Guinea, Kyrgyzstan, and Pakistan, for a total of approximately US\$100 million.
- The SPRP operations are estimated to have benefited 59 million people through vaccination, food security, jobs, health workers, education, and support to businesses. Concessional loans and grants amounting to US\$61.3 million were approved in 2021 for poverty reduction projects by the IsDB poverty alleviation arm, Islamic Solidarity Fund for Development (ISFD).

- To guarantee smooth transactions for COVID-19 responses in the face of supply chain disruptions, IsDBG, through its insurance arm, Islamic Corporation for Insurance of Investment and Export Credit (ICIEC), launched the COVID Guarantee Facility (CGF) to support the import of medical equipment, essential foods, and energy commodities. Over US\$770 million in insurance capacity has been allocated under CGF to date.
- Telehealth technologies were deployed to provide over 85,000 consultations for more than 175,000 COVID-19 patients with 24/7 counselling and monitoring in member countries, including conflict areas.

## BUILDING GREEN, RESILIENT, INCLUSIVE, AND SUSTAINABLE ECONOMIES

- The Bank created a Sustainable Finance Framework (SFF) as a way of entering the Green and Sustainability-linked capital markets space. Under the umbrella of the SFF, the Bank has already issued both Green and Sustainability Sukuk to mobilise more than US\$5 billion for climate-related and social development projects, especially in the health sector. In March 2021, the Bank issued its second Sustainability Sukuk, which was also its largest Sukuk issuance ever, raising US\$2.5 billion.
- The Islamic Corporation for the Development of the Private Sector (ICD) approved US\$243.60 million to support private sector development. The International Trade and Finance Corporation (ITFC) approved US\$6.4 billion to support economic resilience amid the COVID-19 pandemic, resulting in the creation of 55,000 jobs and the provision of electricity access to 11 million people. ICIEC insured businesses to the value of US\$9.8 billion covering export, import, and investments among member countries, and between member countries and the rest of the world.
- Through the Strengthening the Economic Resilience of Vulnerable Enterprises (SERVE) Programme, the IsDB Group has approved US\$91.40 million since 2020. In addition, the IsDB has mobilised more than US\$520 million for its Economic Empowerment interventions targeted at member countries. This included a US\$100 million Economic Empowerment Fund for Uzbekistan launched during the 2021 Annual Meetings in Tashkent.
- In 2021, the Bank continued the implementation of its Climate Action Plan (2020-2025) which sets out modalities for achieving IsDB's climate finance target of 35 percent by 2025. About 40 projects across different sectors and regional hubs were screened against physical climate risks to harness opportunities and mitigate the impact of climate change.
- To address the issue of the 'digital divide', the IsDB and the Central Asia Regional Economic Cooperation (CAREC) Institute conducted a study identifying key priority areas and digital economy interventions.

Meanwhile, the Bank also worked with the member states of the West African Monetary and Economic Union (UEMOA) to formulate a regional programme on developing the digital economy in member states.

- The IsDB and Global Partnership for Sustainable Development Data helped the governments of Senegal and Togo collect timely data through NASA satellite technology and Amazon Web Services analytics, allowing them to monitor and track environmental data for agriculture and water management.

## IMPROVING INSTITUTIONAL EFFECTIVENESS

- Member countries have been immensely supportive of the Bank, with the 6<sup>th</sup> General Capital Increase of ID5.5 billion being approved in December 2020. This support is extremely crucial to further bolster the Bank's efforts in responding to the COVID-19 pandemic and enabling the Bank to empower member countries on their journey towards achieving the Sustainable Development Goals (SDGs).
- The 6<sup>th</sup> General Capital Increase (GCI) has sent a strong message to the major rating agencies that the Bank stands on the solid support of its shareholders. All four rating agencies (Standard & Poor's Global, Moody's Investors Service, Fitch Ratings, and the Malaysian Rating Corporation) have affirmed the IsDB's "AAA" rating with a "stable" outlook in 2021.
- The IsDB Governors held a roundtable to reach a common vision on addressing the critical development challenges posed by the COVID-19 pandemic and potential short, medium, and long-term solutions and recovery opportunities. Specifically, the roundtable addressed three main themes: boosting COVID-19 recovery, tackling poverty and building resilience, and driving green economic growth.
- The Talent Vision, Strategy, and Model project was completed in 2021 and included six frameworks and guidelines on attraction, assessment, development, career management, succession planning, and monitoring. The Bank successfully implemented the Leadership Development Programme (LDP) for a group of directors and managers as part of its mandate to build leadership capacity in IsDB.
- The safety and security of staff has been a top priority for the Bank, especially during the pandemic. The Business Continuity Management (BCM) undertakings have been very effective in ensuring the safety of IsDB staff both at Headquarters and around the world. PCR tests and vaccines were made available to staff, and the Employee Return to Office (RTO) process has been carefully and gradually implemented. The Facility Management & Service Delivery Centre (FMSDC) has ensured a seamless, healthy, and comfortable return to work.

# 2021 AT A GLANCE

## APPROVALS

ISDB GROUP NET APPROVALS BY COUNTRY AND ENTITY<sup>1</sup> (US\$ MILLION)

● ISDB-OCR **US\$1993.7M**     ● ITFC **US\$6429.7M**  
● ICD **US\$243.6M**     ● OTHERS<sup>2</sup> **US\$143.2M**

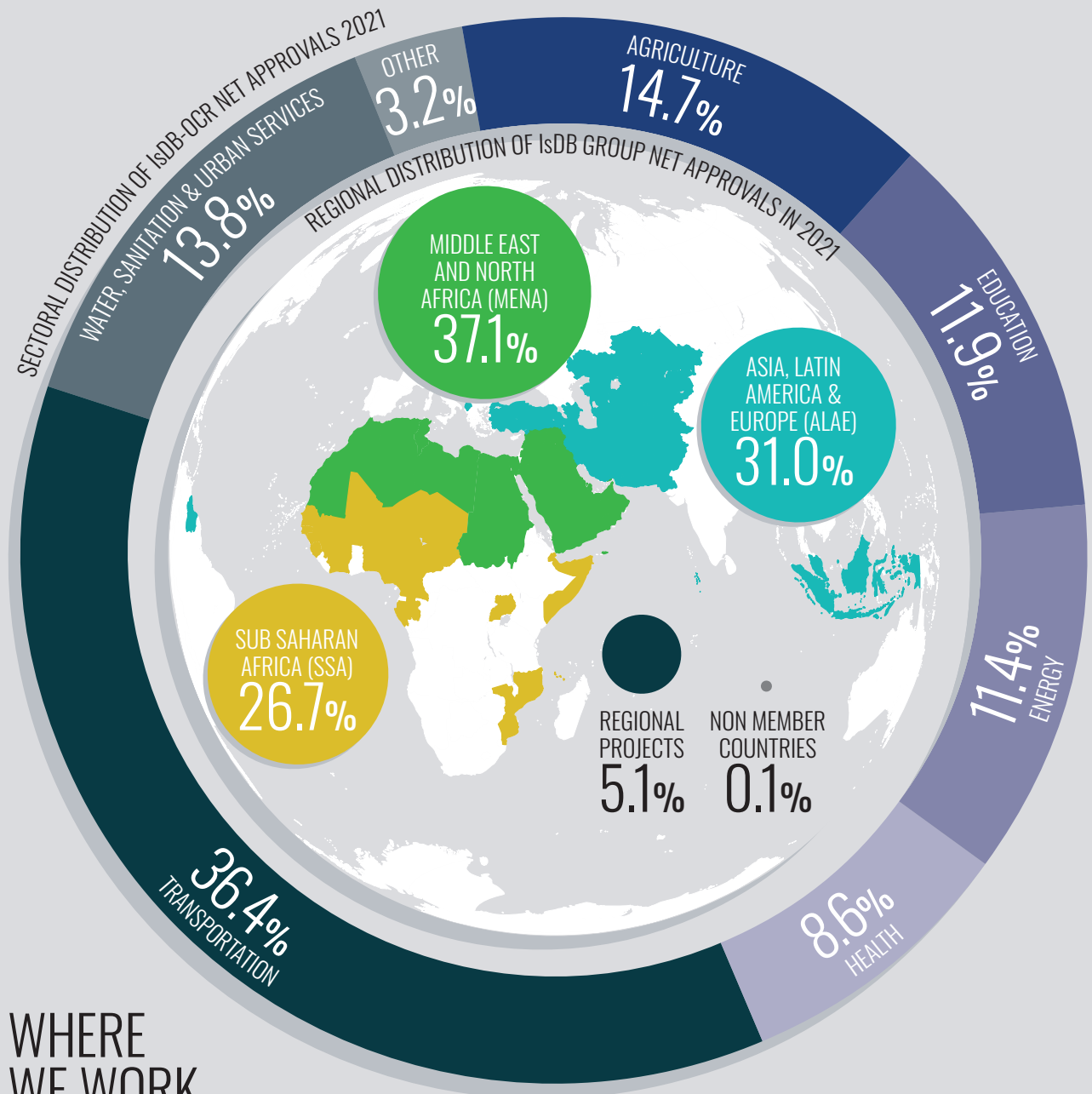
ISDBG'S NET APPROVALS IN 2021 TOTALLED

**ID6.3 BILLION**  
(US\$8.8 BILLION)



<sup>1</sup> Cut-off date for data reported in this graphic was 31 December 2021 (27 JUMADA-I 1443H).

<sup>2</sup> Comprised of APIF, Economic Empowerment, EFS, IBP, ICD Funds, ISFD, ITFO, SAO, STI, Trust Funds and WAQF.



## WHERE WE WORK

THE PRESENT MEMBERSHIP OF THE BANK CONSISTS OF

**57 COUNTRIES**

### SUB SAHARAN AFRICA (SSA)

**20 COUNTRIES**

- |               |               |
|---------------|---------------|
| Benin         | Guinea-Bissau |
| Burkina Faso  | Mali          |
| Cameroon      | Mozambique    |
| Chad          | Niger         |
| Comoros       | Nigeria       |
| Côte d'Ivoire | Senegal       |
| Djibouti      | Sierra Leone  |
| Gabon         | Somalia       |
| Gambia        | Togo          |
| Guinea        | Uganda        |

### ASIA, LATIN AMERICA & EUROPE (ALAE)

**18 COUNTRIES**

- |                 |              |
|-----------------|--------------|
| Afghanistan     | Malaysia     |
| Albania         | Maldives     |
| Azerbaijan      | Pakistan     |
| Bangladesh      | Suriname     |
| Brunei          | Tajikistan   |
| Guyana          | Turkey       |
| Indonesia       | Turkmenistan |
| Iran            | Uzbekistan   |
| Kazakhstan      |              |
| Kyrgyz Republic |              |

### MIDDLE EAST AND NORTH AFRICA (MENA)

**19 COUNTRIES**

- |            |                      |
|------------|----------------------|
| Algeria    | Oman                 |
| Bahrain    | Palestine            |
| Egypt      | Qatar                |
| Iraq       | Saudi Arabia         |
| Jordan     | Sudan                |
| Kuwait     | Syria                |
| Lebanon    | Tunisia              |
| Libya      | United Arab Emirates |
| Mauritania | Yemen                |
| Morocco    |                      |

# THREE BROAD AREAS OF SUPPORT

HIGHLIGHTS FROM THESE  
THREE BROAD AREAS

THE SUPPORT OF THE ISDB GROUP HAS BEEN CRITICAL IN ENSURING THAT MEMBER COUNTRIES REMAIN ON A TRAJECTORY OF RECOVERY AND LONG-TERM GROWTH. WITH THIS IN MIND, ISDBG'S NET APPROVALS IN 2021 TOTALLED

**US\$8.8 BILLION**  
(IDG.3 BILLION)

## COMBATING THE PANDEMIC AND POVERTY

ISDB'S FINANCING COMMITMENT UNDER  
THE SPRP INCREASED FROM

**US\$2.27 BILLION**  
IN 2020 TO

**US\$4.43 BILLION**  
IN 2021

**US\$100 MILLION**  
APPROVED FOR THE VACCINE  
PROGRAMME

## BUILDING GREEN, RESILIENT, INCLUSIVE, AND SUSTAINABLE ECONOMIES

**US\$5 BILLION**  
MOBILISED THROUGH GREEN  
AND SUSTAINABILITY SUKUK

**US\$91 MILLION**  
APPROVED FOR ECONOMIC  
RESILIENCE OF ENTERPRISES

## IMPROVING INSTITUTIONAL EFFECTIVENESS

THE 6<sup>TH</sup> GENERAL CAPITAL INCREASE OF

**US\$7.9 BILLION**

APPROVED IN DECEMBER 2020

THE FOUR MAIN RATINGS AGENCIES  
AFFIRMED ISDB'S

**"AAA"**  
RATING, WITH A  
**"STABLE"**  
OUTLOOK IN 2021



# COMBATING COVID-19

**2.7 MILLION**  
PEOPLE VACCINATED THROUGH  
**1,522**  
NEWLY ESTABLISHED VACCINATION CENTRES

**49 MILLION**  
PEOPLE REACHED THROUGH  
AWARENESS CAMPAIGNS

**9.7 MILLION**  
HOUSEHOLDS SUPPORTED WITH  
FOOD RATIONS

**308,000 JOBS**  
CREATED FOR THE REVIVAL OF  
PRIORITY VALUE CHAINS

**31,696**  
**HEALTH WORKERS**  
PROVIDED WITH CAPACITY-BUILDING SUPPORT

**15,000**  
**MICRO-ENTERPRISES**  
OR HOUSEHOLDS BENEFITING FROM  
MICRO-FINANCE SERVICES

**40,000 STUDENTS**  
BENEFITING FROM E-LEARNING  
PROGRAMMES

**18,304 SMEs**  
PROVIDED WITH FINANCIAL ASSISTANCE

OVERALL  
**59 MILLION BENEFICIARIES**

# GREEN, RESILIENT, INCLUSIVE GROWTH

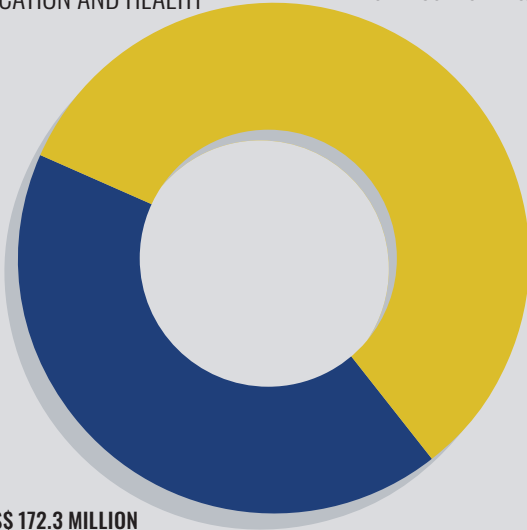
## HUMAN CAPITAL DEVELOPMENT

IsDB-OCR TOTAL FINANCING OF

**US\$409.6 MILLION**

WAS APPROVED IN 2021 FOR EDUCATION AND HEALTH

● **US\$ 237.3 MILLION** FOR EDUCATION PROJECTS



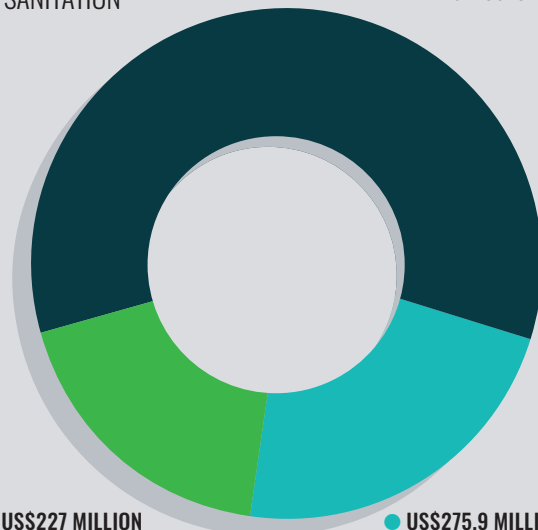
● **US\$ 172.3 MILLION** FOR UNIVERSAL HEALTHCARE

## INFRASTRUCTURE

**US\$1.23 BILLION**

WAS ALLOCATED IN 2021, COVERING ENERGY, TRANSPORT, AND WATER & SANITATION

● IN 2021, ISDB APPROVED A TOTAL OF **US\$724.9 MILLION** TO FINANCE TRANSPORT INFRASTRUCTURE



● **US\$227 MILLION** APPROVED FOR INCREASING THE SUPPLY OF AND ACCESS TO ENERGY AND ELECTRICITY

● **US\$275.9 MILLION** WAS APPROVED IN 2021 TO FINANCE WATER AND SANITATION PROJECTS

## FOOD SECURITY

**US\$292.2 MILLION**

WAS ALLOCATED IN 2021 FOR THE AGRICULTURE SECTOR. THIS INCLUDED:

**US\$80 MILLION** FOR IRRIGATION SCHEMES IN UGANDA

**US\$150.52 MILLION** FOR A SPECIAL AGRO-INDUSTRIAL PROCESSING ZONE IN NIGERIA

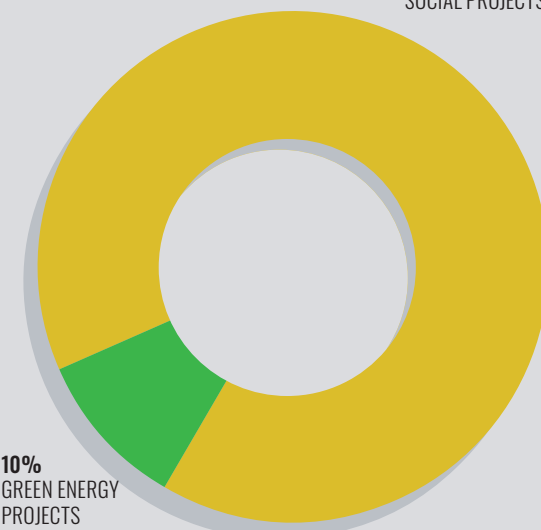
## SUSTAINABLE FINANCE

IsDB HAS CREATED A SUSTAINABLE FINANCE FRAMEWORK (SFF) IN LINE WITH THE STANDARDS SET BY THE INTERNATIONAL CAPITAL MARKET ASSOCIATION (ICMA).

IN MARCH 2021, THE BANK ISSUED ITS SECOND SUSTAINABILITY SUKUK, WHICH WAS ALSO ITS LARGEST SUKUK ISSUANCE EVER. THIS SECOND SUSTAINABILITY SUKUK RAISED

**US\$2.5 BILLION**

● **90% OF THE PROCEEDS** DEPLOYED TOWARDS SOCIAL PROJECTS



● **10%** GREEN ENERGY PROJECTS

## SCHOLARSHIPS

**US\$7 MILLION**

WAS APPROVED IN 2021 FOR A VARIETY OF SCHOLARSHIPS. SCHOLARSHIPS WERE AWARDED TO 301 STUDENTS

**UNDERGRADUATE:**  
92 STUDENTS FROM 62 COUNTRIES

**MASTERS:**  
37 STUDENTS FROM 35 COUNTRIES

**PHD:**  
87 STUDENTS FROM 48 COUNTRIES



## WOMEN AND YOUTH

IN 2021, THE BANK APPROVED THE OPERATIONAL STRATEGY OF THE WOMEN EMPOWERMENT POLICY

WOMEN AND YOUTH EMPOWERMENT WAS MAINSTREAMED IN MORE THAN

**35**

OF THE BANK'S PROJECTS DURING THE YEAR

**US\$11.25 MILLION**

WAS MOBILISED FOR THE EMPOWERING WEST AFRICAN WOMEN SMALL AND MEDIUM ENTERPRISES IN RICE VALUE CHAINS (EWASME) PROGRAMME

# IMPROVING INSTITUTIONAL EFFECTIVENESS

IN 2021, THE BANK INITIATED THE IMPLEMENTATION OF THE MODEL RISK MANAGEMENT AND GOVERNANCE FRAMEWORK TO PROACTIVELY MITIGATE THE BANK'S EXPOSURE TO MODEL RISKS

A NEW ADMINISTRATIVE TRIBUNAL HAS BEEN ESTABLISHED TO RESOLVE EMPLOYMENT-RELATED DISPUTES BETWEEN ISDBG STAFF AND THE ORGANISATION

## 20 MEMBER COUNTRY PARTNERSHIP STRATEGIES

(MCPSs) HAVE BEEN COMPLETED SINCE 2010, WITH SIX MORE EXPECTED TO LAUNCH IN 2022

## 10 PROJECTS

WERE EVALUATED IN MEMBER COUNTRIES DURING 2021, COVERING: **ENERGY, HEALTH, EDUCATION, TRANSPORT, WATER AND SANITATION, AGRICULTURE AND RURAL DEVELOPMENT, AND ICT**

# PROGRESS TOWARDS THE SDGs

DURING 2021, IsDB CONTRIBUTED TO PROGRESS TOWARDS THESE KEY SDGs:  
**SDG1, SDG2, SDG3, SDG4, SDG6, SDG7 AND SDG9**

SOME EXAMPLES OF OUR CONTRIBUTIONS TOWARDS THE TARGETS:



1

# ISDB GROUP ACTIVITIES



## AT A GLANCE

GROWTH IS FORECAST TO REBOUND BY AROUND

**4.6%**

ON AVERAGE IN ISDB MEMBER COUNTRIES IN 2021

GROWTH IN LDMCs IS EXPECTED TO REBOUND AT 4 PERCENT IN 2021 AND RISE TO NEARLY

**6.4%**

IN 2022-2025

ANNUAL APPROVALS IN 2021 SURPASSED THE PRE-PANDEMIC LEVEL OF ID5.7 BILLION IN 2019, RISING TO

**ID6.3 BILLION**

(US\$8.8 BILLION) FROM ID4.8 (US\$6.9 BILLION) IN 2020

THE PROJECTS AND GRANTS APPROVED IN 2021 ARE EXPECTED TO YIELD PROMISING RESULTS ONCE COMPLETED AND WILL CONTRIBUTE TO THE KEY SUSTAINABLE DEVELOPMENT GOALS, NAMELY **SDG1, SDG2, SDG3, SDG4, SDG6, SDG7, AND SDG9**

## 1.1 RECENT ECONOMIC PERFORMANCE

The highly anticipated post-COVID-19 recovery process was disrupted in 2021 by new variants, with some countries reimposing mobility restrictions. Meanwhile, escalating energy prices and supply disruptions have produced higher and more broad-based inflation. The COVID-19 pandemic has deeply affected the economic performance and prospects of emerging markets and developing economies (EMDEs) and IsDB member countries. Before the COVID-19 pandemic, growth in IsDB member countries had slowed significantly, falling below the world average in 2018-2019. This was unprecedented in recent decades. The slowdown mainly reflected the sluggish performance of oil-exporting member countries and the impact of political instability and conflicts, especially in the MENA region. The repercussions of the pandemic have exacerbated this trend, with the aggregated output of IsDB member countries contracting by 1.7 percent in 2020. Over 51 million people in IsDB member countries have been pushed into extreme poverty, where almost one in every three lives in multidimensional poverty. About three out of four IsDB member countries are dependent on commodity exports, and more than one-third are in fragile and conflict-affected situations (IsDBI Staff Calculations, November 2021).

The economic rebound in 2021 is projected to be weaker in IsDB member countries than in EMDEs despite the improved outlook for fuel-exporting member countries. Growth is forecast to rebound by around 4.6 percent on average in IsDB member countries in 2021, compared with 6.4 percent for EMDEs. Over the medium-term (2022-2025), average growth in the IsDB member countries is projected to stabilise at around 4.4 percent, slightly lower than the EMDEs' average (4.7 percent). This subdued growth performance of IsDB member countries is mainly due to fuel exporters, for which the medium-term growth forecast is about 3.0 percent, while for non-fuel exporters the medium-term growth projection stands above 5.1 percent.

Following a sharp growth slowdown in 2020, the economies of IsDB's least developed member countries (LDMCs) are expected to recover significantly in the medium term. LDMCs' average economic growth rate fell

from 5.7 percent in 2019 to 0.8 percent in 2020. Growth in LDMCs is estimated to rebound at 4 percent in 2021 and rise to nearly 6.4 percent in 2022-2025. This relatively high growth projection over the medium term is based on the assumption of a strong recovery in commodity-exporting and tourism-based LDMCs, as well as gradual normalisation in some member countries categorised as being in Fragile and Conflict-Affected Situations (FCS). Among IsDB regional groupings, Asia, Latin America & Europe has shown greater resilience during 2020 and is projected to recover faster over the medium term. Growth in the Asia, Latin America & Europe region is estimated to rebound at 4.9 percent in 2021 and stabilise at around 4.7 percent through 2025. This is significantly higher than the average projection for both the Sub-Saharan African (SSA) region (4.1 percent) and the MENA region (3.9 percent).

Recent trends suggest a divergence in the per capita income of IsDB member countries compared with both advanced economies and other EMDEs. The income gap is projected to widen in the medium term due to subdued growth in the OIC area, especially in fuel-exporting member countries. Poverty in IsDB member countries tends to be concentrated in FCS and LDMCs. Within countries, poverty is disproportionately high in rural areas.

The rapid global economic recovery and rising demand for goods and services led to higher inflation in 2021. Average inflation in IsDB member countries is forecast at 10.6 percent in 2021, more than twice the world average. High inflation in IsDB member countries is due to several factors, including sharp currency depreciation and severe supply shortages in 2021, especially in member countries considered to be in FCS. The average inflation rate in IsDB member countries is forecast to decrease to 6.6 percent by 2025 but to remain well above the world average.

In the context of the pandemic, IsDB member countries have also widened their fiscal deficit, which rose to nearly 7 percent of GDP in 2020 from 4 percent in 2019. Fuel-exporters experienced the sharpest increase in their fiscal deficit to 8.2 percent in 2020 from 3 percent in 2019. The deficit is estimated to narrow down in 2021 to nearly 3 percent of GDP, reflecting mainly the rebound in oil prices. Fuel-exporters are forecast to record narrowing

fiscal deficits over the medium term, suggesting improvements in fiscal consolidation, underpinned by increased oil prices. LDMCs with relatively limited fiscal space saw their deficit widen to 5.3 percent of GDP in 2020 and remain almost the same in 2021, reflecting the need for higher public spending to support economic resilience and recovery.

Public debt ratios also rose in IsDB member countries during the pandemic. The average gross government debt-to-GDP ratio had increased by 7 percentage points from 42.3 percent of GDP in 2019 to 49.3 percent in 2020. It is estimated to decline to about 46.6 percent in 2021 and stabilise at 47.8 percent over the medium term, well below the EMDE average. Fuel exporters are expected to maintain a moderate public debt-to-GDP ratio at around 42 percent in the medium term. For LDMCs, public debt rose significantly to about 59 percent of GDP in 2021 from 51 percent in 2019. This increase in public debt is beyond the level suggested by the variation in the fiscal deficit. LDMCs' public debt ratio is forecast to return to its pre-pandemic level by 2023.

## 1.2 OPERATIONAL HIGHLIGHTS

The IsDB Group's total approvals have been rising steadily since its inception, reaching ID112.2 billion (US\$160.3 billion) in 2021. As a result of financing the post-COVID-19 recovery, annual approvals in 2021 surpassed the pre-pandemic level of ID5.7 billion (US\$7.9 billion) in 2019, rising to ID6.3 billion (US\$8.8 billion) from ID4.8 (US\$6.9 billion) in 2020. The decline in approvals in 2020 was triggered by trade financing operations, which were severely affected by mobility restrictions and supply chain disruptions caused by the COVID-19 pandemic.

However, approvals from IsDB Ordinary Capital Resources (IsDB-OCR) did not decrease, and kept pace with the demands of member countries, especially in the areas of health and food security. As the share of Trade Financing Approvals decreased during 2020, the share of IsDB-OCR approvals increased in the total Group approvals. By 2021, the trade financing share had regained its pre-pandemic level, and shares of entities' approvals have almost all adjusted back to 2019 levels.

## Disbursement post-COVID-19 has accelerated to make resources available for restoring pandemic-induced damages and financing recovery.

Annual IsDB-OCR approvals rose markedly to ID1.4 billion (US\$2.0 billion) in 2021 from ID1.2 billion (US\$1.7 billion) in 2020. Financing for private sector development by ICD decreased slightly from ID0.2 billion (US\$0.3 billion) in 2020 to ID0.17 billion (US\$0.2 billion) in 2021. The Trade Financing approvals by ITFC have recovered remarkably, reaching ID4.6 billion (US\$6.4 billion) in 2021 after declining 18.78 percent in 2020.

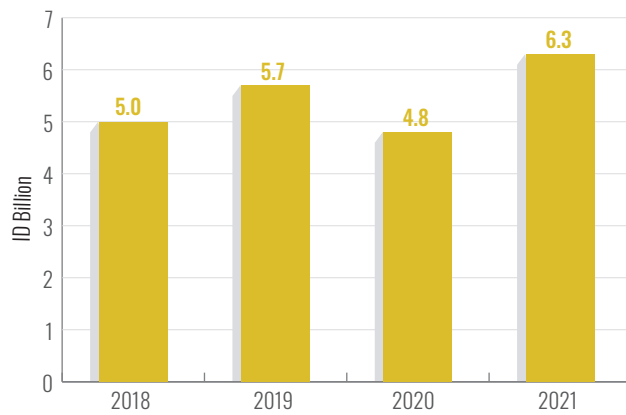
Disbursement post-COVID-19 has accelerated to make resources available for restoring pandemic-induced damages and financing recovery.

The sectoral distribution of IsDB-OCR approvals in 2021 has not significantly changed from previous years. The distribution reflects IsDB's commitment to infrastructure (transportation, water, sanitation & urban services, and energy), human capital (education and health), and food security (agriculture). It also mirrors the development situations in IsDB member countries, where most countries face huge infrastructure deficits that often complicate challenges in the development of other sectors.

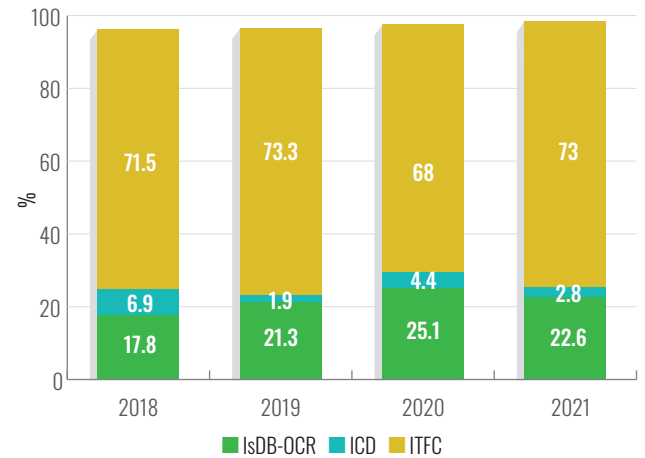
ICD has been on a recovery path since 2018, and it demonstrated a strong showing of approvals at the beginning of the pandemic. While its approvals dipped slightly in 2021, disbursements increased to satisfy earlier higher approvals. The approvals were split almost equally between the financial sector (49.92 percent) and non-financial sectors (50.08 percent). The non-financial sector investments focused on high-impact sectors, primarily transportation (20.53 percent), industry and mining (18.47 percent), and health infrastructure (11.08 percent). Disbursements, on the other hand, went largely to the financial sector (62.25 percent), followed by transportation (19.17 percent), energy (13.80 percent), and industry and mining (4.79 percent). Overall, the disbursement-to-approval ratio stood at 85.68 percent, a significant improvement compared to the previous year (44.18 percent).



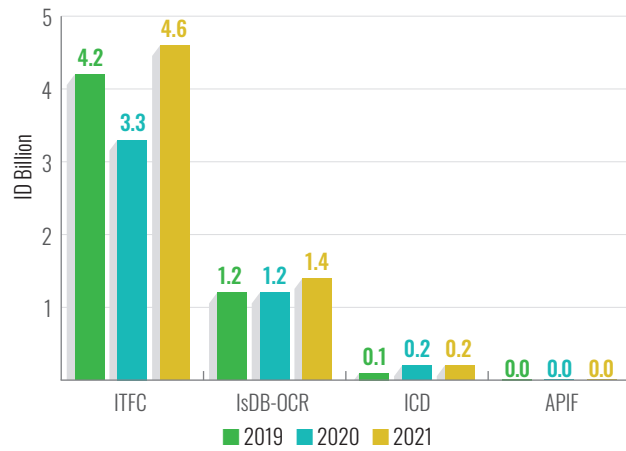
**FIGURE 1.1:** ISDB GROUP NET APPROVALS



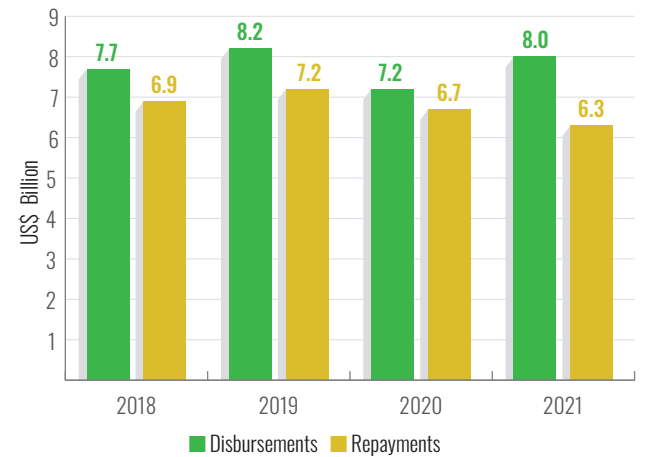
**FIGURE 1.2:** TRENDS IN SHARE OF ENTITIES IN TOTAL ISDB GROUP NET APPROVALS



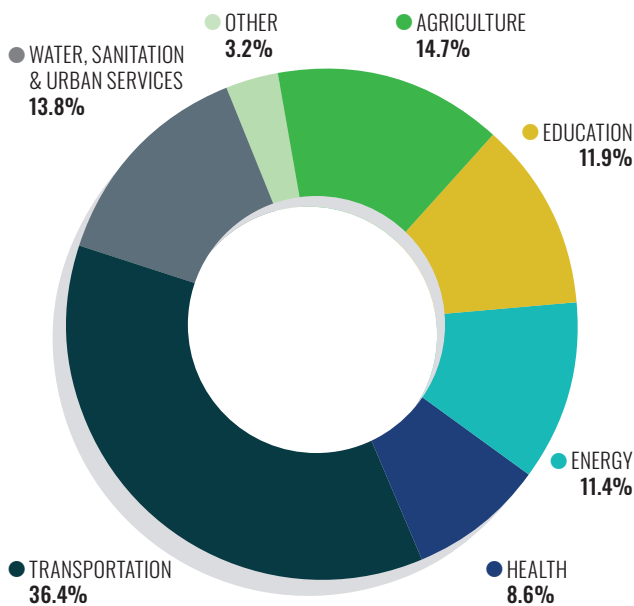
**FIGURE 1.3:** NET APPROVALS BY ENTITIES & FUNDS



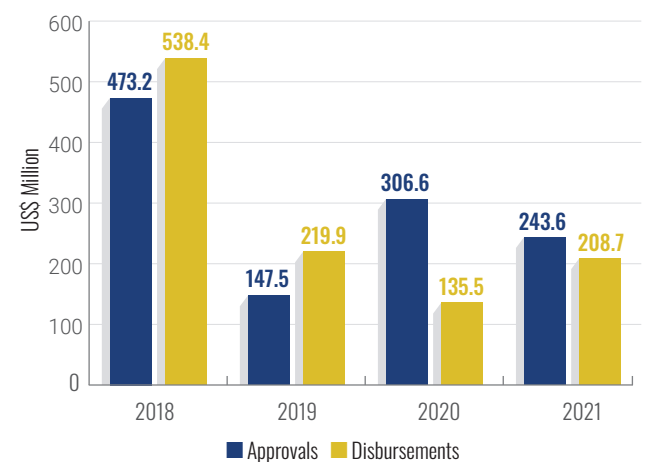
**FIGURE 1.4:** TRENDS IN ISDB GROUP DISBURSEMENTS AND REPAYMENTS



**FIGURE 1.5:** SECTORAL DISTRIBUTION OF ISDB-OCR NET APPROVALS 2021G

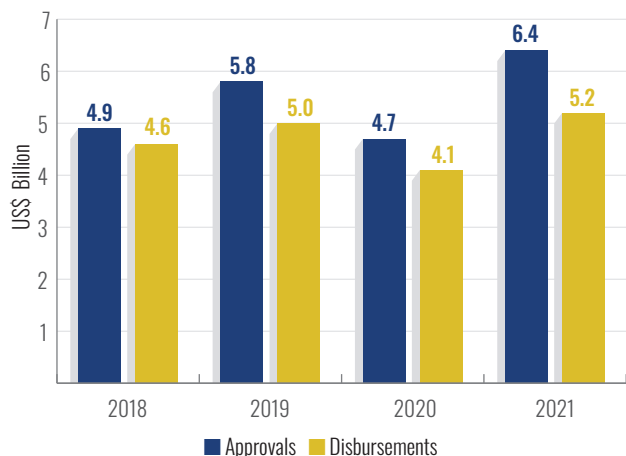


**FIGURE 1.6:** TRENDS IN ICD NET APPROVALS & DISBURSEMENTS



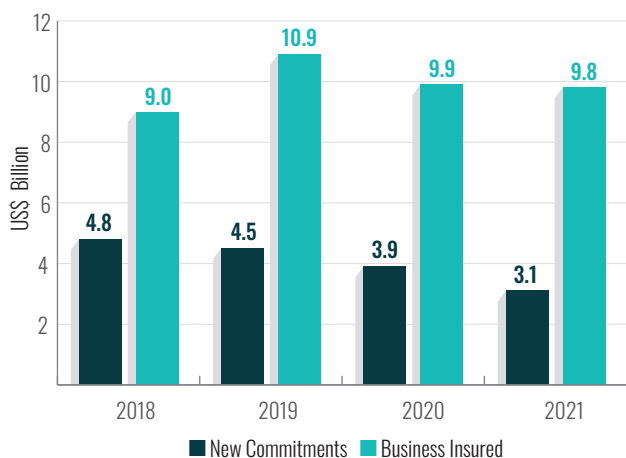
ICD = The Islamic Corporation for the Development of the Private Sector  
 IsDB-OCR = IsDB Ordinary Capital Resources  
 ITFC = The International Islamic Trade Finance Corporation

**FIGURE 1.7: TRENDS IN ITFC NET APPROVALS & DISBURSEMENTS**



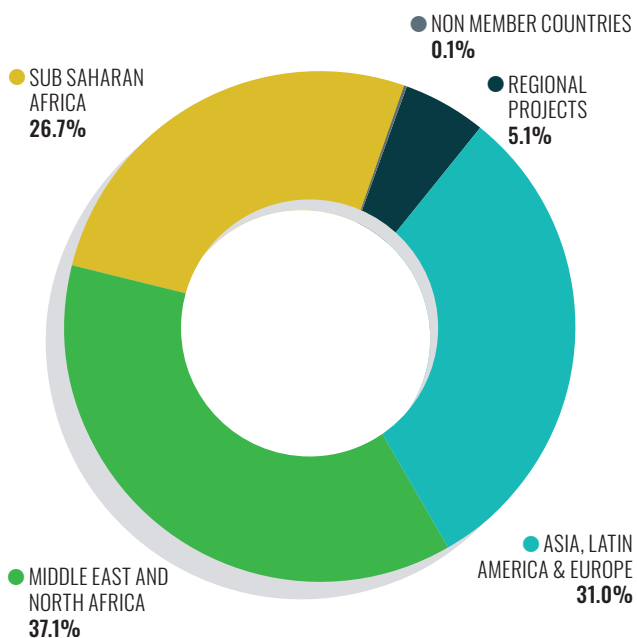
As economies reopen and supply chains stabilise, ITFC has come back stronger and better in both approvals and disbursements. With a disbursement rate of 78 percent to support economic resilience amid the COVID-19 pandemic, ITFC approved US\$6.4 billion, including Intra-OIC Trade Approvals of US\$3.6 billion to support regional trade and economic integration. In terms of diversification of the trade finance portfolio, approvals outside oil and gas amounted to US\$2.5 billion, representing 38 percent of the total trade finance portfolio. Private sector approvals reached US\$806 million, out of which US\$753 million is geared towards SMEs through Line of Financing partnerships.

**FIGURE 1.8: TRENDS IN ICIEC BUSINESS INSURED AND NEW COMMITMENTS**



Providing insurance for credit and country risk has become more challenging during the pandemic. However, ICIEC has proved highly resilient. Its new commitments and business insured decreased only slightly in 2020, and by 2021 ICIEC had recovered around 90 percent and 70 percent of business insured and new commitments respectively vis-à-vis the pre-pandemic levels. ICIEC responded to the COVID-19 pandemic by providing over US\$643 million in insurance capacity to support the import of medical equipment, essential foods, and energy commodities. These have flowed through two main initiatives: the IsDBG COVID Guarantee Facility (GCF) and the ICIEC-ISFD COVID Emergency Response Initiative (ICERI).

**FIGURE 1.9: REGIONAL DISTRIBUTION OF ISDBG GROUP NET APPROVALS IN 2021G**



The regional distribution of IsDBG's approvals has been stable over the years, reflecting the development needs and stages of member countries in respective regions.

The regional distribution of IsDBG's approvals has been stable over the years, reflecting the development needs and stages of member countries in respective regions.

ICD = The Islamic Corporation for the Development of the Private Sector  
 IsDBG-OCR = IsDBG Ordinary Capital Resources  
 ITFC = The International Islamic Trade Finance Corporation

## 1.3 KEY INITIATIVES

### 1.3.1 REALIGNING GROUP STRATEGY TO THE NEW NORMAL

After almost a decade (2010-2019) of robust – though unequal – growth, the world was adversely impacted by the COVID-19 pandemic. The pandemic has significantly changed the global development landscape and severely affected the prospects of IsDB's member countries, in many cases rolling back the progress made in achieving the Sustainable Development Goals (SDGs).

These shocks and disruptions have prompted member countries to review and reconsider their priorities in the light of the new normal created by the pandemic. During the Roundtable held on 3 September 2021 in Uzbekistan, the IsDB's Governors asked the Bank to review and realign its strategy to the critical and evolving needs of member countries. In response, the IsDB undertook a strategic realignment exercise geared towards reviewing its strategic orientation, to best align its support during 2023 - 2025 to the critical needs and priorities of member countries.

The strategic realignment exercise has taken into consideration: (i) the global context and macro-economic prospects and challenges facing member countries especially in the light of COVID-19; (ii) the mid-term review of the ongoing 10 Year Strategy; (iii) the growing sustainable infrastructure investment needs in member countries and IsDB priorities; (iv) the needs of member countries to tackle poverty and build resilience; (v) the need for IsDB to scale up capacity development support; (vi) approaches for IsDB to support the transition towards Green, Resilient & Inclusive Growth in member countries; and (vii) lessons learned from the comparative analysis of selected Multilateral Development Banks (MDBs).

The IsDB Strategic Realignment document lays out the realigned priorities of the Bank over the period 2023-2025. IsDB's strategy aims to focus on three overarching, interconnected strategic objectives: (i) boosting recovery; (ii) tackling poverty and building resilience; and (iii) driving green economic growth. In realising these objectives, the Bank will focus on two strategic pillars that are key to its mission to serve the Ummah. These are to (i) support inclusive human capital development, and (ii) develop green, resilient, and sustainable infrastructure.



### 1.3.2 ENHANCING GROUP SYNERGY

In 2019, the BED commissioned, through the OED 2018 Annual Programme, an evaluation of the IsDB Group Synergy. The evaluation found that many opportunities were missed and much more could be done on Group Synergy. In its June 2020 meeting, the BED endorsed the recommendations of the evaluation and considered them as the main inputs and anchors of the future Group Synergy Agenda, or GSA. The BED has now mandated the Chairman of the IsDB Group to champion and guide the implementation of the GSA.

The objective of the GSA is to create an enabling environment that will allow Group members to work together to create greater value for our member countries. Specifically, the GSA is designed to enable and facilitate the IsDB Group members to work together to: (i) offer a more comprehensive support package to clients (ii) enhance the effectiveness of the Group, (iii) reinforce the brand of the Group in the field, and (iv) increase internal efficiency gains (cost savings). The GSA will be structured into two pillars: Business Synergy and Internal Synergy, with a primary focus on the former.

### 1.3.3 IMPROVING FINANCIAL SUSTAINABILITY

The Financial Sustainability strategy of the Bank is driven by the need to maintain its "AAA" rating while ensuring that the sustainable growth and development needs of the IsDB member countries are effectively met in the medium to long term. The Financial Sustainability strategy compels the Bank to efficiently allocate and utilise scarce capital resources and market-driven resource mobilisation.

The Bank executes managed growth in assets and liabilities through robust approvals and disbursements that incorporate efficiency metrics. The Bank has successfully followed this plan since 2018 with approvals growing by US\$0.5 billion each year and expects the 2022 approvals envelope to reach US\$3 billion as per the plan. Likewise, the Bank has been able to consistently increase the disbursement headroom each year to improve delivery to member countries by enhancing resource mobilisation activities and reducing liquidity constraints.

The successful implementation of the Financial Sustainability strategy has allowed the Bank to stabilise the prudential metrics such as capital adequacy, liquidity, and leverage despite adverse market conditions. The Bank is also pursuing several initiatives to improve financial sustainability through Proactive Balance Sheet Management and Contingency Funding Planning through Extraordinary Measures. In this regard, the Bank made significant progress on many tracks, including penetrating new markets, reaching a new investor base through regular issuances, and offering new currencies and products. In 2021, the Bank issued its largest Sukuk to date, which was also a Sustainability Sukuk. Similarly, the Bank issued its maiden SOFR (Secured Overnight Financing Rate) Sukuk in anticipation of the transition away from LIBOR.

## 1.4 ISDB GROUP ACCOMPLISHMENTS

### 1.4.1 KEY DEVELOPMENT OPERATIONS

The IsDB's operations plan for 2021 stood at US\$2.5 billion, which was divided into two main areas: (i) Public Finance and (ii) Public-Private Partnerships (PPP). The IsDB has met the operational target in terms of financing projects in its member countries. Specifically, project financing amounting to more than US\$2 billion was provided to more than 30 countries in the year. The preparation of project proposals was coordinated throughout the year, to avoid any delay in meeting the requirements of technical review committees. Coordination mechanisms were put in place to ensure all projects follow the established technical review and management clearance processes.

The projects and grants approved in 2021 are expected to yield promising results once completed and will contribute to the key SDGs, namely SDG1, SDG2, SDG3, SDG4, SDG6, SDG7, and SDG9. As the pandemic continues to affect most of the member countries, SDG 3 (health) remained a high priority for project approvals. Together, these cross-sectoral operations will generate the following results:

### 1.4.2 REINFORCING PRIVATE SECTOR DEVELOPMENT

The Islamic Corporation for the Development of the Private Sector (ICD) has, since its inception in 1999, supported private sector development in its member countries as a driver of economic growth. ICD's total approvals for 2021 stood at US\$243.60 million (US\$306.60 million in the previous year).

Almost half of the new project approvals for the year were earmarked for the financial sector (49.92 percent), while non-financial sector investments focused on high-impact sectors, primarily transportation (20.53 percent), industry and mining (18.47 percent) and health infrastructure (11.08 percent). Regionally, 31.61 percent of project approvals were allocated to the MENA region, followed by 30.79 percent to Asia, 29.39 percent to SSA, 6.16 percent to Europe and Central Asia, and the remaining 2.05 percent to global (multi-country) projects.

On disbursements, the total distribution for the year was US\$208.71 million (2020: US\$135.48 million) and this was mainly in high-impact sectors such as finance (62.25 percent), transportation (19.17 percent), energy (13.80 percent), and industry and mining (4.79 percent). Overall, the disbursement-to-approval ratio stood at 85.68 percent, improving significantly on the previous year (44.18 percent).



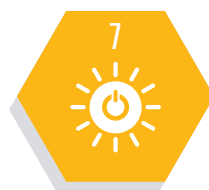
1  
PROVISION OF EMPLOYMENT OPPORTUNITIES TO OVER **217,500 PEOPLE** AND PROVISION OF TRAINING TO NEARLY 70,000 PEOPLE



6  
INSTALLATION OF SAFE DRINKING WATER TO OVER **4 MILLION HOUSEHOLDS**, WITH ANOTHER **800,000 HOUSEHOLDS** CONNECTED TO IMPROVED SEWERAGE SYSTEMS.



2  
CONSTRUCTION OF FOOD STORAGE CAPACITY OF MORE THAN **60,000 TONS**



7  
GENERATION OF ELECTRICITY FROM RENEWABLE SOURCES EQUIVALENT TO **1,012 MEGAWATTS**



3  
PROVISION OF HEALTH AND SANITATION AWARENESS PROGRAMMES BENEFITING NEARLY **32 MILLION PEOPLE** AND OUTPATIENT SERVICES REACHING A FURTHER **1.2 MILLION**



9  
SUPPORTING THE TRANSPORTATION OF PEOPLE AND GOODS, THEREBY **CONTRIBUTING TO ECONOMIC GROWTH**



4  
PROVISION OF **265 NEW SCHOOLS** BENEFITING NEARLY **180,000 STUDENTS** AT VARIOUS EDUCATION LEVELS. THESE PROGRAMMES WILL ENHANCE THE QUALITY OF EDUCATION THROUGH THE CAPACITY DEVELOPMENT OF **9,000 TEACHERS**

As the pandemic continues to affect most of the member countries, SDG 3 (Health) remained a high priority for project approvals.

To further improve the operating model and to ensure financial sustainability, ICD continued its efforts to enhance its fee-based revenue generation capabilities and signed three new Sukuk mandates as well as two new advisory transactions involving the establishment of Islamic banking windows in Senegal and Mali. The Bridge platform was also established to help reduce the digital divide in member countries and to create a more innovative, efficient, and financially sustainable organisation with a large network of partner financial institutions to mobilise additional resources.

### 1.4.3 SUPPORTING TRADE FINANCE

Despite the unprecedented disruption to trade faced by OIC member countries during the COVID-19 crisis and the subsequent uneven global recovery, the International Trade Finance Corporation (ITFC) has adapted to new market realities and remained resilient in supporting member countries. Its financial sustainability was evidenced by it maintaining its Moody's flagship A1 rating with a stable outlook.

Trade Finance Disbursement stands at US\$5.2 billion, with a disbursement rate of 79 percent to support economic resilience amid the COVID-19 pandemic, while Trade Finance Approval reached US\$6.4 billion and Intra-OIC Trade Approvals stood at US\$4 billion to support regional trade and economic integration. In terms of diversification of the trade finance portfolio, approvals outside oil and gas amounted to US\$2.58 billion, representing 39 percent of the total portfolio. Private sector approvals reached US\$707 million, of which US\$663 million is geared towards SMEs through Line of Financing partnerships.

ITFC financing has had a huge developmental impact on the populations of member countries. These impacts include (i) an estimated 11 million people provided with access to energy, (ii) an estimated 100,000 people lifted out of poverty, (iii) 29 million people vaccinated through vaccine financing, (iv) over 600,000 farmers benefitting from ITFC agriculture trade financing, and (v) over 55,000 jobs supported through private sector financing, and 289 people trained under capacity development activities across member countries.

The COVID-19 pandemic has led ITFC to launch its Strategy 2.0 to develop a unique and sustainable business model for the future, aligned with the emerging new IsDB orientation and the feedback provided by the IsDB Board of Governors. This reflects the move towards IsDB Group Entities harmonising their activities to create value synergies, with a particular focus on cross-selling through joint products, market-related risk knowledge sharing, the development of Islamic finance, advisory services, and contributions to the IsDB Group MCPS.

### BOX 1: EXPORT LAUNCHPAD BANGLADESH

Export Launchpad Bangladesh is a technical assistance programme in Bangladesh designed to help the development of SME exporters and ultimately to contribute to the sustainable economic development and alleviation of poverty in Bangladesh.

The programme is a joint initiative of the ITFC, Trade Facilitation Office Canada (TFO Canada), the Government of Canada, Global Affairs Canada, and the Bangladesh Business Promotion Council (BPC). It launched in November 2019 and has two elements: the Training of Trainers (ToT) and Canadian market access. The objective of the programme is to develop human resources in the field of international trade and to equip the BPC and the other Trade Support Institutions (TSIs) in Bangladesh with the capacity to deliver training on international trade and support services to Bangladeshi SME exporters and potential exporters.

Given the realities of COVID-19 in 2020, the delivery of the ToT activities had to be adapted in two ways. First, the training was changed to a "virtual setting". Second, the materials were adjusted to accommodate international trade knowledge relevant to the pandemic. With perseverance and support from all stakeholders, the project was successfully delivered without compromising the quality of the training.

The project resulted in 32 new trainers (17 female & 15 male) and 43 trained SMEs from the jute and processed food sectors in Bangladesh. As of September 2021, 16 of the 32 new trainers had trained another 171 SMEs in Bangladesh.

The second phase is focusing on preparing and strengthening the ability of Bangladeshi SMEs to access the Canadian market, which includes market research and market access training. The ultimate outcome of the activity is to contribute to sustainable economic development and poverty alleviation in Bangladesh by enhancing the capacity of Trade Support Initiatives (TSIs) and SME exporters to capitalise on opportunities in the global market, especially in Canada.

THE PROJECT RESULTED IN  
**32** NEW TRAINERS  
 (17 FEMALE & 15 MALE) AND  
**43** TRAINED SMEs  
 FROM THE JUTE AND PROCESSED  
 FOOD SECTORS IN BANGLADESH. AS  
 OF SEPTEMBER 2021, 16 OF THE 32  
 NEW TRAINERS HAD TRAINED ANOTHER  
**171** SMEs  
 IN BANGLADESH



## BOX 2: DE-RISKING REHABILITATION OF A WASTEWATER COLLECTOR IN DAKAR, SENEGAL

The Hann-Fann Collector, built more than 70 years ago to provide evacuation and treatment of wastewater across about eight kilometres covering more than 10 districts of Dakar, is in an advanced stage of degradation. Its dilapidation over the years has generated structural problems and hydraulic risks mainly due to toxic and corrosive chemicals, household waste and sand. In addition, the weight of the buildings erected over the years above the Collector has created significant security issues.

The state of the collector facility is causing recurring problems of wastewater, gases and harmful substances stagnating at the surface, including hydrogen, carbon dioxide and ammonia. In addition to serious risks of explosion, fire and the collapse of buildings and residential houses, permanent odour pollution has gone beyond all tolerated levels. There are more than 500,000 people currently exposed to all these risks.

Given the urgent nature of the project, ICIEC has worked with the Government of Senegal and Société Générale's subsidiary in Côte d'Ivoire to provide a Non-Honoring of Sovereign Financial Obligations cover to the CFAF 82 billion (EUR 124 million) loan extended by Société Générale to the Ministry of Finance of Senegal. The transaction's financial structure is quite innovative as it enables Senegal to borrow in local currency through a counter-guarantee mechanism developed by the Société Générale and ICIEC.

The project is expected to improve the health of 16.5 percent of the children of Dakar (around 150,000 children). These children are currently prone to malaria and diarrhoea due to the proximity of wastewater. The project will also reduce the risk of the population contracting respiratory diseases due to the absorption of toxic chemicals.

The project will create 6,151 direct and indirect jobs and is not expected to be a burden to the State budget as it is economically and financially viable.

The project contributes to SDG3 (Ensure healthy lives and promote well-being for all), SDG6 (Ensure sustainable management of water and sanitation), SDG8 (Promote decent work for all) and SDG11 (Make cities and human settlements inclusive, safe, resilient and sustainable).



THE PROJECT IS EXPECTED TO IMPROVE THE HEALTH OF  
**16.5%**  
OF THE CHILDREN OF DAKAR  
(AROUND 150,000 CHILDREN)

## 1.4.4 PROVIDING INSURANCE FOR CREDIT AND COUNTRY RISKS

The Islamic Corporation for the Insurance of Investments and Export Credit (ICIEC) is mandated to expand trade and encourage Foreign Direct Investment (FDI) in member countries using Shariah-compliant credit enhancement and political risk insurance solutions.

In response to the COVID-19 pandemic, ICIEC initially pledged US\$150 million to provide insurance for critical transactions, including the import of emergency medical kits and food supplies, as part of the IsDB Group's SPRP. Over US\$770 million in insurance capacity has been allocated to supporting the import of medical equipment, essential foods, and energy commodities. These have flowed through two main initiatives: the IsDBG COVID Guarantee Facility (GCF) and the ICIEC-ISFD COVID Emergency Response Initiative (ICERI).

The IsDB Group's COVID Guarantee Facility (CGF) is a programme developed by IsDB and ICIEC to provide de-risking facilities to member countries. CGF offers support to member countries in the form of insurance and guarantees in favour of the financiers.

In 2021, the ICERI programme saw an increase in approvals, with US\$271 million worth of trade-related transactions being executed for the benefit of our LDMCs. Countries such as Bangladesh, Cameroon, Mauritania, Senegal, Tunisia, and Benin have benefited from the support of ICERI, enabling them to import critical goods at discounted rates and strengthen their healthcare and food sectors. For the programme's second year, ICERI has shifted its focus to facilitating the supply of COVID-19 vaccines to the LDMCs and on closing the gap in vaccine availability, especially in the SSA region. The programme is expected to support around US\$50 million worth of COVID-19 vaccine imports by September 2022.

THE ICERI PROGRAMME IS EXPECTED TO SUPPORT AROUND

**US\$50 MILLION**  
WORTH OF COVID-19 VACCINE  
IMPORTS BY SEPTEMBER 2022

### 1.4.5 THOUGHT LEADERSHIP IN ISLAMIC ECONOMICS AND FINANCE

The IsDB Institute (IsDBI), formerly known as the Islamic Research and Training Institute (IRTI), was renamed in April 2021 with an increased mandate including the role and functions of the IsDB Group Chief Economist. The shift of the Group Chief Economist function to IsDBI is in line with the Institute remaining the knowledge beacon of the IsDB Group, mandated to lead the development of innovative knowledge-based solutions for sustainable development.

The Institute continues to support evidence-based decision-making. In 2021, the Institute led analytical research on post-COVID-19 recovery. It also partnered with the Oxford Poverty and Human Development Initiative in releasing five briefs on multidimensional poverty in IsDB member countries, with analysis of COVID-19 and lessons learned from member countries' poverty alleviation initiatives.

As it transitioned into an impact-oriented entity, IsDBI began developing a fourth patent and entering the national phase for the three patents acquired in 2021 for blockchain-based innovative solutions for Islamic finance. Under the IsDBI Smart Economy Grants Programme, seven winners were selected and awarded US\$10,000 each to advance their projects involving the application of emerging technologies to spur knowledge-driven economic transformation. Similarly, following the reformulation of the IsDB Prize for Impactful Achievement in Islamic Economics, two innovation-driven crowdfunding platforms were selected as winners of the IsDB prize in 2021.

IsDBI has also delivered customised training courses to institutions in member countries as part of its efforts to advance capacity-building programmes and partnerships. The Institute, together with the Global Partnership for Sustainable Development Data, helped the governments of Senegal and Togo collect timely data through NASA satellite technology and Amazon Web Services analytics, allowing them to monitor and track environmental data. Together with the Asian Development Bank, the Institute also continued to train national statisticians from common member countries on economic globalisation.

The IsDBI has continued to strengthen its leadership in Islamic economics and finance publications by releasing the IsDBI Reader, a modern e-Book reader app for smart devices. The app is integrated into the IsDBI website (<https://isdbinstitute.org/>), allowing users to purchase and download e-publications. Furthermore, IsDBI continued to produce Islamic economics and finance publications, including a new book detailing practical ways of curtailing risk in Islamic finance and a new report on artificial intelligence and Islamic finance.

### 1.4.6 PARTNERING FOR POVERTY REDUCTION

The COVID-19 pandemic has changed people's lives in diverse and unexpected ways, putting the global gains in poverty reduction achieved in the last two decades at stake. To salvage these gains, policymakers must invest in targeted, evidence-driven interventions to build back better. The IsDB Institute has therefore partnered with the Oxford Poverty and Human Development Initiative (OPHI) to study and explore different dimensions of multidimensional poverty in IsDB member countries. This partnership is bringing to light multidimensional poverty as experienced at national and subnational levels, and by different age groups, providing a basis by which IsDB country programmes and government policies can be crafted.

In practice, the ISFD continues to play a leading role in the fight against poverty in member countries. Since its inception, the Fund has provided close to US\$1 billion in the form of concessional loans and grants to finance projects and programmes in member countries. In 2021, US\$61.3 million was approved for projects and programmes; US\$31 million went to member countries in the form of concessional loans, while US\$30.3 million went as grants. The financing covers health, education, and sanitation projects, refugee projects, and Awqaf real estate projects. Due to the COVID-19 pandemic, health remains the top priority, accounting for 35.8 percent of the approvals in 2021, followed by agriculture (14.5 percent), education (14.1 percent), water and sanitation (8.2 percent), and energy (4.5 percent), and industry & mining (3.3 percent). The rest of the financing went to other activities including finance, public administration, and real estate development for poverty reduction.

Given the high and disproportionate levels of poverty in LDMCs, about 63 percent of the funding went to these countries. This concentration is in accordance with the IsDB Policy on Poverty Reduction, which provides that 80 percent of ISFD annual financing should go to LDMCs and 20 percent to poverty pockets in non-LDMCs. The deviation from the policy guidelines in 2021 was accounted for by the health challenges that affected the entire membership of the OIC. The interventions of the Fund have had significant impactful results, including the construction of more than 700 schools supporting over 51,000 students, healthcare provision to 73 million people, and the creation of job opportunities for 2.8 million people.



### BOX 3: ALLIANCE TO FIGHT AVOIDABLE BLINDNESS

Restoring sight is one of the ways in which IsDB is providing pathways out of poverty. In 2021, IsDB continued to support the second phase of the Alliance to Fight Avoidable Blindness (AFAB), a regional programme bringing together several technical and financial partners from member countries and other countries around the globe. The programme is helping to develop the capacities of African member countries to fight the root causes of vision impairment. The second phase of AFAB (2019-2023) is benefiting 13 countries: Burkina Faso, Chad, Comoros, Côte d'Ivoire, Djibouti, Guinea, Guinea Bissau, Mali, Mauritania, Mozambique, Niger, Somalia, and Togo.

The following results were achieved in 2021:

- Preparation of Five-Year Action Plans. Four Five-Year Action Plans were finalised for Comoros, Guinea Bissau, Mauritania, and Somalia, in full consultation with the Ministries of Health. This allowed for the consolidation of all Five-Year Action Plans prepared for the 13 beneficiary countries.
- Implementation of cataract surgeries and eye consultations. Cataract treatments were provided to 12,509 people, restoring their vision. Eye consultations were provided to a further 106,573 persons in urban and rural areas.

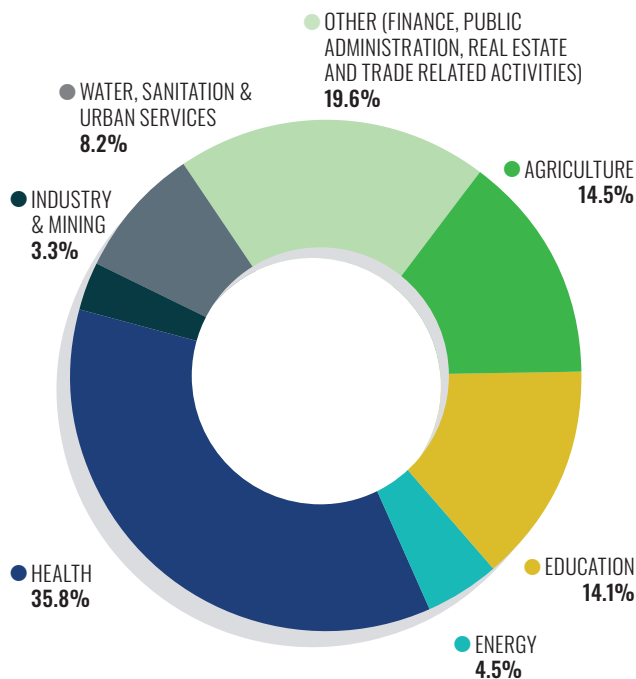
THE SECOND PHASE OF AFAB HAS CARRIED OUT

**29,950**  
CATARACT SURGERIES AND  
**204,262**  
CONSULTATIONS

- Identification of new partners. Five new technical and financial partners joined the Alliance. These were: Secours Islamique France (SIF), Union of Medical Care and Relief Organization (UOSSM), Human Appeal, Project CURE, and the Organisation of Islamic Cooperation's Standing Committee on Scientific and Technological Cooperation (COMSTECH).
- Provision of scholarships. To address the shortage of ophthalmologists and ophthalmic technicians, six doctors and 19 technicians from Burkina Faso and Chad received scholarships to pursue their specialisation in ophthalmology.
- Execution of short-term training. IsDB, in collaboration with Mali's Institut d'Ophtalmologie Tropicale d'Afrique (IOTA), initiated a training programme for 48 ophthalmologists and 28 ophthalmic technicians.

The second phase of AFAB has carried out 29,950 cataract surgeries and 204,262 consultations despite the challenges imposed by the ongoing COVID-19 pandemic.



**FIGURE 1.10: ISFD APPROVALS BY SECTOR IN 2021**

### 1.4.7 LEVERAGING AWQAF FOR DEVELOPMENT

During 2021, the Awqaf Properties Investment Fund (APIF) approved 4 new projects with a total cost of around US\$ 16.6 million. Three projects were in MCs and 1 in a NMC. The fund has also registered an exceptional year in terms of disbursements with US\$46 million disbursed while the target was US\$20 million. On the financial side, APIF has achieved satisfactory results, and the net income for the year amounted to US\$ 3.35 million (increase of more than 30% when compared to 2020). In addition, the Fund continued its resource mobilisation strategy despite the continuous effects of the COVID-19 pandemic. In fact, four new investments with a total value of US\$18.76 million were added to its capital. The first investment came from the Indonesian Hajj Fund, Badan Pengelola Keuangan Haji (BPKH): its US\$6.51 million investment follows an initial participation of US\$5 million in 2020. With this investment, BPKH has become the third-largest investor in APIF. The second investment, which amounted to US\$1.5 million, was received from the International Islamic Fiqh Academy (IIFA). The third new investment was from the AlRajhi family, amounting to US\$8 million. This investment is considered to be the first of its type, as unlike previous participations, it is an individual investment rather than an institutional one. The last one was from Faisal Islamic Bank of Egypt with US\$ 2.75 million. APIF is now supported by public sector investors, private entities, non-profit NGOs, and individual investors.

### 1.4.8 SHARING BEST PRACTICES IN DEVELOPMENT

Despite the challenges imposed by the ongoing COVID-19 pandemic, IsDB continued in 2021 to facilitate the transfer of development solutions among its member countries and others in the Global South through a variety of mechanisms and programmes, in particular the Technical Cooperation Programme (TCP) and Reverse Linkage mechanism. Through its TCP, IsDB supports short-term capacity development interventions to foster socio-economic development within member countries. In 2021, a total of 19 TCP operations amounting to US\$498,700 were approved. These included nine on-the-job training sessions (virtual and physical) amounting to US\$221,200, two knowledge-sharing events amounting to US\$82,000, and eight recruitments of experts amounting to US\$195,500. Priority was given to LDMCs as well as to urgent capacity development needs.

Reverse Linkage is a way for IsDB to foster connections between member countries and other countries in the Global South to tackle common development challenges. In 2021, a US\$1.5 million grant was allocated to Reverse Linkage. Four Reverse Linkage interventions were mainstreamed in IsDB's ordinary operations, and six standalone operations were designed. These interventions benefited Bangladesh, Djibouti, Jordan, Guinea, Guinea Bissau, Niger, Nigeria, Pakistan, Tajikistan, Tunisia, and Turkmenistan in areas such as agriculture, energy, health, vocational training, and water.

The year 2021 witnessed a further expansion of the IsDB network of partners under Reverse Linkage. For the first time, IsDB partnered with Brazil to share its best practices with Tunisia's Technical Cooperation Agency. Similarly, IsDB worked with the People's Republic of China to support a Reverse Linkage project between the Institut Pasteur Dakar and 10 public health laboratories in SSA. Meanwhile, IsDB continued to tap into the know-how and expertise of its existing partners. For instance, Masen – Morocco's centre of excellence in renewable energy – provided its services to support several IsDB member countries in Africa to develop utility-scale renewable energy projects. In 2021, two operations under this partnership were approved for Djibouti and Niger. Masen will share its expertise and support the development of local renewable energy stakeholders and the development of clean and affordable sustainable energy in Africa.



THROUGH ITS ENGAGE AND TRANSFORM FUNDS, IsDB IMPLEMENTED MORE THAN **30 INNOVATION PROJECTS**, INCLUDING FOUR INNOVATIVE SOLUTIONS TO SAVE WOMEN'S LIVES FROM CANCER

Digitisation can help countries overcome challenges that impede the mobility of people and goods, and the flow of technology, ideas, and services.

### 1.4.9 HARNESSING THE POWER OF SCIENCE, TECHNOLOGY, AND INNOVATION FOR DEVELOPMENT

Digitisation can help countries overcome challenges that impede the mobility of people and goods, and the flow of technology, ideas, and services. IsDB is prioritising the use of digitisation to support greater regional integration. In 2021, IsDB, in collaboration with its partners, carried out a range of activities to support the development of the digital economy in its member countries. For example, IsDB and the Central Asia Regional Economic Cooperation (CAREC) institute worked together on a study to identify digital gaps in six CAREC countries: Afghanistan, Azerbaijan, Kyrgyz Republic, Pakistan, Tajikistan, and Uzbekistan. The study also aimed to highlight key priority areas and develop an action plan for further digital economy interventions.

Similarly, the IsDB and the West African Monetary and Economic Union (UEMOA) joined hands to formulate a regional programme on the digital economy in the member states of the UEMOA. The programme will build on UEMOA's assessment of national policies for mass digitisation in its member states which focused, among others, on the necessity of developing a new legislative and regulatory framework to govern the digital economy sector in West Africa.

Furthermore, through its Transform Fund, IsDB implemented more than 30 innovation projects, including four innovative solutions to save women's lives from cancer. The Transform Fund projects made a significant social impact at the community level, with projects relating to Telehealth networks: Sehat Kahani and Educast provided over 85,000 consultations for more than 175,000 COVID-19 patients with 24/7 counselling and monitoring in member countries including conflict areas.

### BOX 4: E-DISBURSEMENT PLATFORM (EDP)

IsDB's e-Disbursement Platform (EDP) allows member countries to submit project disbursement requests electronically, with an instant messaging functionality for internal and external project team members to collaborate directly. The EDP was introduced and rolled out during IsDB's 46<sup>th</sup> Annual Meeting, held in September 2021.

Enhancing project implementation will always be a high priority for IsDB. The Bank is also systematically endeavouring to reduce its ecological footprint by adopting digitisation. The EDP aims to fulfil both of these goals. The EDP also allows mobile access.

#### OVERVIEW

- The EDP aims to improve the efficiency of processing disbursement applications from member countries.
- The EDP will be the single point of entry for submitting disbursement applications, which will ensure all requests can be processed efficiently.
- The EDP is integrated with the IsDB internal Operations Management System (OMS) such that once the request is validated in the EDP, it will be automatically triggered in OMS with all documents attached.

#### METHOD

- The EDP is an integral tool for authorised signatories to register users to submit disbursement applications, and for relevant finance staff from the Project Implementation Units to respond to disbursement-related enquiries.
- There is also a plethora of training materials available to support users.
- The EDP is accessible in IsDB's three languages: Arabic, French and English.

#### OUTCOMES

- Greater control, ensuring every submission can be monitored from receipt to payment.
- Expedient collaboration through the instant messaging feature, to accelerate the resolving of any issues.
- Transparency, thanks to live status updates on disbursement application submissions from member countries.
- Reduction in expenditure on courier services.
- Withdrawal Applications (WAs) received up to 5-10 days faster than before.
- Reduction in the cost of archiving documents.
- Reduction in processing time and manual tasks.

# 2

## BOOSTING POST-COVID-19 RECOVERY



## AT A GLANCE

AS OF THE END OF DECEMBER 2021, THE TOTAL ISDB GROUP (ISDBG) COMMITMENT TO THE COVID-19 RESPONSE IS

**US\$4.67 BILLION**

THE TOTAL AMOUNT OF FINANCING APPROVED BY THE ISDBG INCREASED TO

**US\$3.36 BILLION**

FROM US\$3.1 BILLION

GROUP-LEVEL DISBURSEMENTS INCREASED TO

**US\$1.21 BILLION**

UP FROM US\$1.13 BILLION

THE BED APPROVED THE EXTENSION OF THE

**SPRP**

WHICH NOW INCLUDES A THIRD COMPONENT, THE **ISDBG VACCINE ACCESS FACILITY (IVAC)**, WHICH AIMS TO SUPPORT MCs' ACCESS TO COVID-19 VACCINES

## 2.1 STRATEGIC PREPAREDNESS AND RESPONSE PROGRAMME

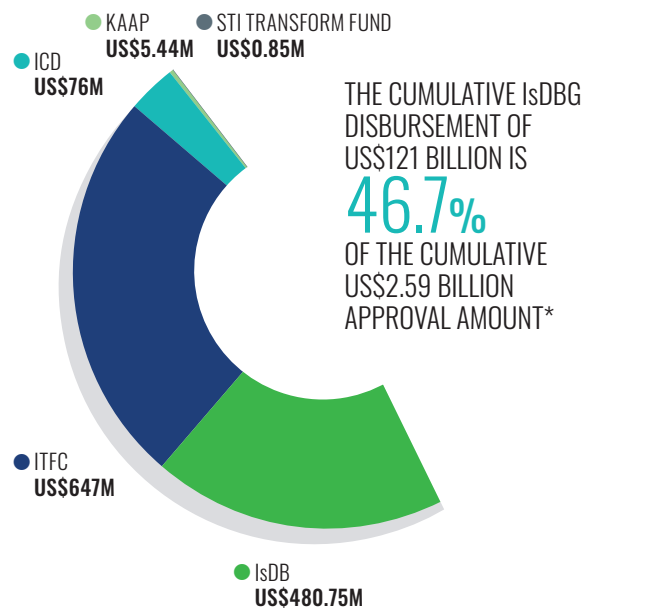
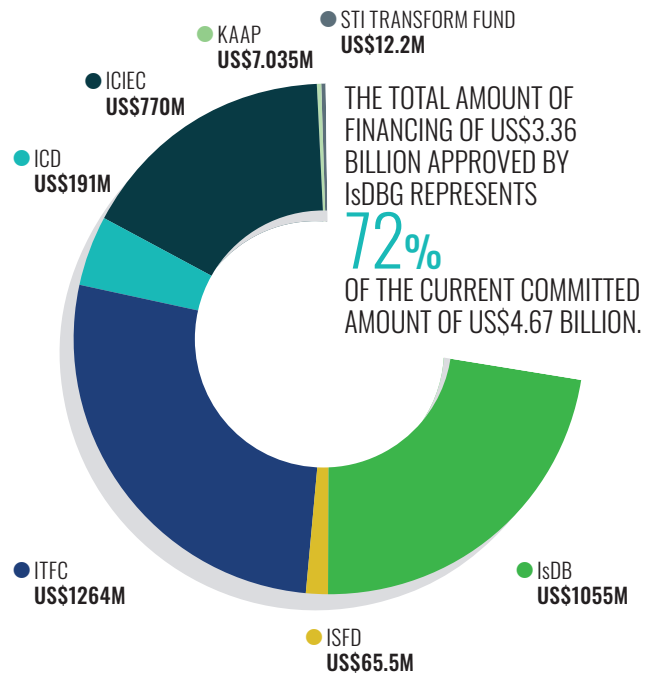
The Board of Executive Directors (BED) approved the Strategic Preparedness and Response Programme (SPRP) on 4<sup>th</sup> April 2020 to support IsDB member countries in preventing, containing, mitigating, and recovering from the impact of the COVID-19 pandemic. The BED subsequently approved the extension of the SPRP in April 2021. The extension of the SPRP includes, in addition to the two existing components, a third component, namely the IsDBG Vaccine Access Facility (IVAC), which aims to support MCs' access to COVID-19 vaccines. Through the extension of the programme, the IsDBG has increased its financing commitment from US\$2.27 billion in April 2020 to US\$4.43 billion, out of which US\$770 million would be the volume of business insured by ICIEC.

As of the end of December 2021, the total IsDBG commitment to the COVID-19 response is US\$4.67 billion. The total amount of financing approved by the IsDBG increased to US\$3.36 billion from US\$3.1 billion. Group-level disbursements increased to US\$1.2 billion, up from US\$1.13 billion, representing a 72 percent approval rate and 46.7 percent disbursement rate (excluding ICIEC operations).

The total amount of financing of US\$3.36 billion approved by IsDBG represents 72 percent of the current committed amount of US\$4.67 billion. Of this amount, US\$1.06 billion was approved by IsDB, US\$65.5 million by ISFD, US\$1.26 billion by ITFC, US\$191 million by ICD, US\$770 million insured by ICIEC, US\$7.04 million by the King Abdullah bin Abdul Aziz Program for Charity Works (KAAP) and US\$12.2 million by the STI Transform Fund.

The cumulative IsDBG disbursement of US\$1.21 billion is 46.7 percent of the cumulative US\$2.59 billion approval amount (excluding ICIEC's US\$770 million volume of insurance). The breakdown of disbursements is as follows: (i) IsDB: US\$480.75 million, (ii) ITFC: US\$647 million, (iii) ICD: US\$76 million, (iv) KAAP: US\$5.44 million and (v) STI Transform Fund: US\$0.85 million.

The approved SPRP operations stand to cover around 59 million beneficiaries. This is expected to be broken down as follows: (i) 2.7 million people vaccinated through 1,522



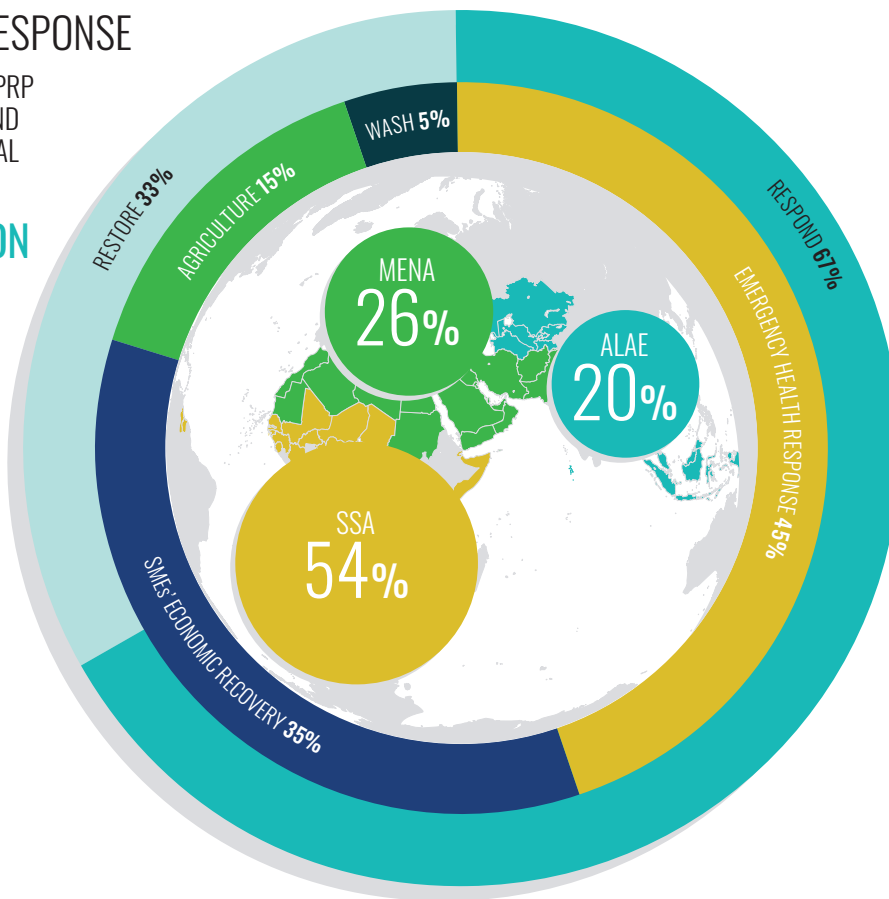
\* Excluding ICIEC's US\$770 million volume of insurance

newly established vaccination centres; (ii) 49 million people reached through awareness campaigns to sensitise them on COVID-19 transmission and prevention; (iii) 9.7 million households in acute food insecurity supported with food rations to fulfil their nutritional needs; (iv) 308,000 jobs created for the revival of priority value chains and economic sectors; (v) 31,696 health workers provided with capacity-building support to manage COVID-19 responses; (vi) 15,000 micro-enterprises or households benefiting from micro-finance services; (vii) 40,000 students benefiting from e-learning programmes during COVID-19, and (viii) 18,304 small or medium-sized enterprises (SMEs) provided with financial assistance.

A dedicated Working Group has continued monitoring and assessing the development of the COVID-19 situation and its impact on the IsDBG's financing and the implementation of interventions. The Working Group monitors, evaluates, and updates the High-Level Committee regularly to enable it to take appropriate measures to address the operational challenges in implementing the Bank Group's response packages for member countries.

## COVID-19 RESPONSE

THE APPROVED SPRP OPERATIONS STAND TO BENEFIT A TOTAL OF ABOUT **59 MILLION** BENEFICIARIES



**48.8 MILLION**  
PEOPLE REACHED THROUGH AWARENESS CAMPAIGNS TO SENSITIZE ON COVID-19 TRANSMISSION AND PREVENTION

**9.7 MILLION**  
HOUSEHOLDS IN ACUTE FOOD INSECURITY WILL BE SUPPORTED WITH FOOD RATIONS TO MEET THEIR NUTRITIONAL NEEDS

**308,000**  
JOBS WILL BE CREATED FOR REVIVAL OF PRIORITY VALUE-CHAINS AND ECONOMIC SECTORS

**32,000**  
HEALTH WORKERS WILL BE PROVIDED CAPACITYBUILDING SUPPORT TO MANAGE COVID-19 RESPONSE

**15,000**  
MICRO-ENTERPRISES OR HOUSEHOLDS WILL BENEFIT FROM MICRO-FINANCE SERVICES

**18,304**  
SMALL OR MEDIUM ENTERPRISES WILL BE PROVIDED WITH FINANCIAL ASSISTANCE



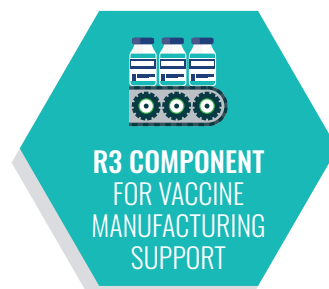
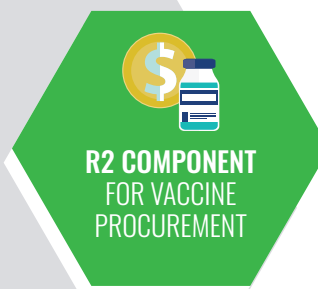
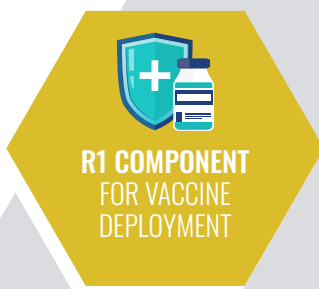
## 2.2 ADDRESSING THE VACCINE DIVIDE

To ensure the procurement of COVID-19 vaccines in an efficient, safe, fast, trusted, and competitive manner, the Bank developed its COVID-19 Vaccine Access Facility (IVAC) under the SPRP 2.0. The IVAC programme has (i) an R1 component for vaccine deployment, (ii) an R2 component for vaccine procurement, and (iii) an R3 component for vaccine manufacturing support. The Bank remains steadfastly committed to supporting its member countries in their recovery from the pandemic and is focusing on a complete trajectory of vaccine development, vaccine manufacturing, vaccine procurement, and vaccine delivery.

Given the scale and complexity of the challenges and the need for swift responses, the Bank will continue to leverage strong partnerships with international organisations and forums such as COVID-19 Vaccines Global Access (COVAX); Gavi, the Vaccine Alliance (GAVI); other Multilateral Development Banks; UNICEF; WHO and other institutions. These partnerships will help the Bank with the further design and implementation of its support.

The Bank has approved three projects under IVAC. These projects are in Guinea, Kyrgyzstan, and Pakistan for a total of approximately US\$100 million. The Bank is currently engaged in advanced discussions with several countries on projects related to the procurement and manufacturing of the vaccine currently under preparation.

### THE IVAC PROGRAM: COMPONENTS



# 3

## NURTURING INCLUSIVE GROWTH AND DEVELOPMENT





## AT A GLANCE

**HUMAN CAPITAL DEVELOPMENT**  
TOTAL FINANCING OF  
**US\$409.6 MILLION**  
APPROVED IN 2021  
(DIVIDED BETWEEN EDUCATION AND HEALTH)

**INFRASTRUCTURE**  
**US\$1.23 BILLION**  
ALLOCATED IN 2021,  
COVERING ENERGY,  
TRANSPORT, AND WATER  
AND SANITATION.

**FOOD SECURITY**  
**US\$292.2 MILLION**  
ALLOCATED IN 2021 FOR THE  
AGRICULTURE SECTORS

**SCHOLARSHIPS**  
**US\$7 MILLION**  
WAS APPROVED FOR A  
VARIETY OF SCHOLARSHIPS

### 3.1 CONTRIBUTING TO INCLUSIVE DEVELOPMENT

IsDB operates on the principle of not leaving anyone behind. In 2021, the Bank continued to help its member countries to close gaps in human capital development, infrastructure and food security to achieve inclusive and sustainable communities.

#### 3.1.1 HUMAN CAPITAL DEVELOPMENT

In 2021, total financing of US\$409.6 million was approved to support member countries with human capital development, focusing on health and quality education.

##### HEALTH

Access to quality healthcare is the critical component of human capital, and in 2021 IsDB contributed US\$172.3 million to universal healthcare across member countries.

- One of the healthcare projects in 2021 was the Integrated Nutrition and Early Childhood Development Project in Côte d'Ivoire, financed with US\$47 million from IsDB. The project aims to improve the nutritional status of women and children during the critical first 1,000-day period to ensure that children reach their full physical and cognitive potential and increase their productivity as adults, resulting in higher incomes. It specifically targets a 5 percent reduction in the rate of stunting among children aged 0-59 months in 11 administrative regions of the country. The project's other objectives include reducing maternal and child morbidity and mortality attributed to nutrition, and reducing chronic malnutrition from 21.6 percent to 17 percent.

- In Chad, IsDB approved US\$45 million to strengthen Maternal and Child Health (MCH) Services. The project will contribute to the achievement of the objectives of the National Health Policy of universal healthcare by 2030. The key expected results include 20 healthcare facilities built and equipped, 87 facilities rehabilitated and equipped including 20 provincial hospitals, 300+ health personnel trained on Emergency Obstetrical and Neonatal Care (EmONC), and 1400+ Community Health Workers (CHWs) trained on Minimum Package Activities (MPA) including promotional, preventive, and curative services and deployed in their communities.

##### EDUCATION

IsDB approved US\$237.3 million for education projects in 2021. Examples include a reconstruction of the Vocational Training Institute in Iraq and the provision of vocational education and training in the Republic of Tajikistan.

- In Iraq, IsDB extended US\$17 million towards the reconstruction of Technical and Vocational Education and Training (TVET) facilities in Hawija. The project is critical under Iraq's post-conflict reconstruction and recovery programme, as it aims to provide young men and women and adults with the necessary technical skills to contribute to the rebuilding and reconstruction of the country. The project will result in the provision of access to quality TVET education for at least 2,500 students annually (with at least 30 percent being female). It is expected that at least 75 percent of graduates will find decent jobs within 6-9 months after graduation and their average earnings will increase by 20 percent.
- Similarly, in the mountainous regions of the Republic of Tajikistan, IsDB has complemented government efforts in TVET provision by approving US\$17.15 million to reduce unemployment among vulnerable groups, especially youth and women. The key results of the project will be the construction/rehabilitation and equipping of 13 vocational education centres/educational buildings and two hostels, and the provision of TVET to at least 13,000 people, including 9,000 youth and 4,000 unskilled women.

## 3.1.2 INFRASTRUCTURE

Given the high infrastructure deficits in several member countries, infrastructure financing continues to account for the majority of IsDB approvals. In 2021, IsDB extended US\$1.23 billion of financing for infrastructure, covering energy, transport, and water and sanitation.

### ENERGY

Energy financing in 2021 stood at US\$227 million and aimed to increase the supply of and access to energy and electricity. The Nigeria-Morocco Gas Pipeline and the Mohmand Dam & Hydropower in Pakistan are examples of energy projects approved in 2021.

- IsDB approved financing of US\$29.75 million for the Front-End Engineering Design (FEED) Study Project for the Nigeria-Morocco Gas Pipeline Project in Morocco. The Nigeria-Morocco Gas Pipeline (NMGP) is one of the ways in which a reliable and cost-effective source of energy will be secured for the 13 countries of West Africa. The capacity of the NMGP will enable the export of 10 to 15 BCM/Y of gas from Nigeria to Europe at an 80 percent usage factor. The specific objectives of the IsDB-financed component include securing agreements with all the countries to be crossed by the NMGP to obtain the right of way for the pipeline. This will ensure smooth implementation of the works and ensure that the project complies with all local and international environmental and social regulations and standards.
- For the Mohmand Dam and Hydropower Project (MDHP), IsDB contributed US\$180 million. The project is located in a post-conflict and tribal area that was recently merged with a Federal province (Khyber Pakhtunkhwa) and where socio-economic development is a priority for the country in order to reduce marginalisation and inequity and foster integration. The project is expected to add 800 MW to the installed capacity of Pakistan's Water and Power Development Authority (WAPDA) and generate approximately 2,862 GWh annually. It will provide approximately 13.32 m<sup>3</sup> /second of potable water to two million inhabitants in Peshawar city and help irrigate and initiate agricultural activities on 6,773 ha of new land and increase the existing cropping area from 1,517 ha to 9,227 ha.



TRANSPORT AND CONNECTIVITY INFRASTRUCTURE IS CRITICAL FOR SOCIO-ECONOMIC INTEGRATION AND INCLUSIVE DEVELOPMENT. IN 2021, ISDB APPROVED A TOTAL OF

**US\$724.9 MILLION**  
TO FINANCE TRANSPORT INFRASTRUCTURE

### TRANSPORT

Transport and connectivity infrastructure is critical for socio-economic integration and inclusive development. In 2021, IsDB approved a total of US\$724.9 million to finance transport infrastructure, including US\$56.8 million for a corridor road in Albania and US\$150 million for the Trans-South-South (TRSS) Corridor, Phase-II, in Java, Indonesia.

- IsDB provided additional financing for the construction of the Qukës-Qafë Pllaçë Section of the Tirana-Korca Road Corridor, in the Republic of Albania. The project is a priority for the country as part of the construction of an earthquake-resilient road network. The project will generate additional employment and regional trade opportunities, increase connectivity with remote areas, and provide a high-quality, all-weather, seismic resilient highway. One specific objective is the provision of the shortest earthquake-resilient all-weather road link with the southern isolated villages, the borders of North Macedonia and Greece, and the rest of Europe within the inner Balkans. Other objectives are a reduction in travel time, improving access to social amenities, businesses and employment opportunities, and a boost to trade and tourism resulting from enhanced internal and regional interconnectivity.

- The financing of the TRSS Phase-II (approximately 165 km) in Indonesia is a continuation of the support extended to Indonesia by IsDB during Phase-I of the project. The IsDB's co-financing will support the construction of 67.78 km of new roads and bridges. The overarching goal of the project is to foster sustainable economic growth and poverty reduction throughout Southern Java, particularly in DI Yogyakarta and East Java provinces, by constructing new road segments totalling 165 km within the 235 km Trans South-South Corridor, as well as several bridges. Key outcomes include a reduction of the average Volume Capacity Ratio (VCR) from 0.71 in 2020 to 0.42 by 2028, increasing Annual Average Daily Traffic (AADT) from 4,498.09 vehicles per day to 8,855.67 vehicles per day, and increasing the coverage of roads built, upgraded, or rehabilitated by 165 km from 1,311.2 km to 1476.2 km.

### WATER AND SANITATION

IsDB continues to support member countries to increase and improve access to safe potable water and hygienic sanitation. A total of US\$275.9 million was approved in 2021 to finance water and sanitation projects, including US\$80 million for the Al Dur Phase-II Plant in Bahrain and US\$56 million for the Inclusive and Integrated Sanitation and Hygiene Project in Bangladesh.

- The Government of Bahrain is currently implementing Phase-II of the major Independent Water and Power Project (IWPP) at Al Dur on the southeast coast of the Kingdom of Bahrain. The project aims to increase the accessible water supply from 744,000 m<sup>3</sup>/day to 971,000 m<sup>3</sup>/day by 2026 and to increase water security in the Kingdom of Bahrain for up to three days of access, by establishing additional transmission and storage capacity to enable the transfer of an additional 50 Million Imperial Gallons per Day (MIGD) of water across the country. The project will benefit around 420,000 civilians and around 100,000 households and is expected to address water shortages to local areas in Hunainya and South Saar.
- In Bangladesh, the Inclusive and Integrated Sanitation and Hygiene Project in 10 Priority Towns will help the Government achieve SDG 6 (Safely Managed Sanitation) targets by addressing the critical challenges of Faecal Sludge and Solid Waste Management, which is consistent with the range of the Government's Perspective Plans Vision 2021, Vision 2041 and the 8th five-year plan for economic and social development. The project will improve the lives and livelihoods of 1.4 million citizens of Bangladesh through safe, adequate, equitable, sustainable sanitation, hygiene facilities, and services with a special focus on the urban poor, women and children, guided by the City-wide Inclusive Sanitation (CWIS) approach.

### BOX 5: IMPROVING ELECTRICITY ACCESS AND FOOD SECURITY IN THE REPUBLIC OF MALI

The ITFC supports the development objectives of its member countries by financing trade transactions to enhance strategic sectors such as energy and food security. In 2021, ITFC approved two Murabaha financing facilities for the Republic of Mali to the value of EUR55 million to support the country's inputs for electricity generation as well as the purchase of staple foods for food security and economic growth.

The first financing of EUR40 million is intended to support Mali's energy sector and has been executed through Energie du Mali (EDM), whose mission is to produce, transport and distribute electricity throughout the country. This operation is expected to cover about 50 percent of EDM's needs for the purchase of refined petroleum products, which will reduce the electrification disparity between urban (85 percent) and rural (25 percent) areas and provide more than 500,000 Malians with improved access to electricity.

The second financing of EUR15 million with Office des Produits Agricoles du Mali (OPAM) as the Executing Agency aims to secure the acquisition of staple food items in Mali. This financing will benefit more than 250,000 households in Mali, and it is expected that up to 50 percent of the staples purchased via this financing will prioritise sourcing from local producers. This financing is supporting the food security programme of the Government of Mali and helping to fight malnutrition and foster poverty alleviation, while also contributing to the overall social wellbeing and stability of the country. It will also support the international community's efforts to assist Mali in its post-conflict reconstruction programme.

IN 2021, ITFC APPROVED TWO MURABAHA FINANCING FACILITIES FOR THE REPUBLIC OF MALI TO THE VALUE OF

**EUR55 MILLION**

THE FIRST FINANCING OF **EUR40 MILLION** IS INTENDED TO SUPPORT MALI'S ENERGY SECTOR

THE SECOND FINANCING OF **EUR15 MILLION** AIMS TO SECURE THE ACQUISITION OF STAPLE FOOD ITEMS IN MALI

TO ALLEVIATE FOOD INSECURITY,  
IsDB APPROVED

**US\$292.2 MILLION**  
IN 2021 FOR THE AGRICULTURE  
SECTORS IN MEMBER COUNTRIES

### 3.1.3 FOOD SECURITY

The pandemic has compounded food insecurity in many countries that had already been facing increased food production challenges due to the impacts of climate change. To alleviate food insecurity, IsDB approved US\$292.2 million in 2021 for the agriculture sectors in member countries. The approval included US\$80 million for irrigation schemes in Uganda and US\$150.52 million for a Special Agro-Industrial Processing Zone in Nigeria.

- The Irrigation Schemes Development Project in the Unyama, Namulu, and Sipi Regions of Uganda aims to improve household incomes, food security, and climate resilience through sustainable natural resources management and agricultural enterprise development. It is doing this through the construction of irrigation schemes in Northern and Eastern Uganda covering 7338 ha, of which IsDB will finance the development of 2900 ha. This will be achieved mainly by constructing irrigation infrastructure as well as enhancing the productivity of smallholder farmers through the utilisation of improved agricultural inputs, integrated natural resources management, and agribusiness development.
- Nigeria has strong agricultural potential, but the realisation of that potential has been undermined by various challenges including low crop yields, high post-harvest losses, low value addition, and a shortage of infrastructure. The Government of Nigeria is working to establish Special Agro-industrial Processing Zones as a way of addressing these challenges. This project supports inclusive and sustainable agro-industrial development and enhances the competitiveness of the agriculture sector. It encompasses the development of infrastructure for three Agro-Industrial Processing Hubs (AIHs); 10 Agricultural Transformation Centres (ATCs); the improvement of irrigated land and farm-to-market access roads; the supply of farm inputs; capacity building in farming and entrepreneurship; and the promotion of an enabling environment for agro-industry zones. The project is expected to: create 185,000 new jobs; increase the yields of key crops by at least 50 percent; reduce postharvest losses by at least 10-20 percent; and increase the average farmer's income by 25 percent.

## 3.2 PARTNERING FOR SUSTAINABLE DEVELOPMENT

### 3.2.1 MOBILISING RESOURCES

IsDBG has leveraged partnerships for sustainable development in several member countries. These partnerships provide guarantees and incentives for other players to provide their own resources and to share expertise. For example, in Nigeria – where 70 million people lack access to electricity, and the rural electrification rate is only 41 percent – IsDB has cooperated with the specialist energy crowdfunding platform TRINE to help supply energy to off-grid rural areas. This partnership serves as a de-risking tool for promoting private sector investments.

IsDB's contribution to three projects incentivised crowdfunding efforts for those campaigns, which were closed in a record time: an average of four days, compared to an average of two to three weeks for other campaigns. The projects have helped deliver progress towards SDG7 (on energy access and renewable energy). IsDB's support has increased the number of households gaining access to electricity and this in turn has opened up livelihood opportunities for beneficiaries.

The assessment after the completion of three projects in Nigeria shows that:

- 235,300 individuals benefited from improved energy services.
- 15,000 people were able to undertake additional economic opportunities.
- 112,300 women benefited from clean and affordable energy.

Similarly, Tadamon (a platform for civil society organisations run by the Bank) has succeeded in achieving three critical milestones. These are (i) mobilising resources from three partners (International Institute of Tropical Agriculture (IITA), NAMA Foundation and Al Awn Foundation) to the value of US\$59.5 million as well as running 22 crowdfunding campaigns online related to education, employment, poverty reduction, community resilience, and skills development; (ii) contributing to the SPRP COVID-19 response in three additional member countries affected by conflicts and fragility (Libya, Somalia, Sudan) including a total contribution from partners (Spark, IFRC) of over US\$5 million; and (iii) serving a network with over 10,000 followers and establishing in collaboration with UNDP a Crowdfunding Educational Academy (known as CFA) that in 2021 supported 126 civil society organisations (CSOs) in six member countries (Indonesia, Kazakhstan, Lebanon Morocco, Somalia, and Tunisia).



### BOX 6: COVERING THE LAST MILE IN ERADICATING WILD POLIOVIRUS

The wild poliovirus remains endemic in only two countries of the world: Afghanistan and Pakistan. The Lives and Livelihoods Fund (LLF) and IsDB supported the Pakistan Polio Eradication programme with an investment of US\$160 million, including a US\$31 million grant, from 2019-2021. This support has made it possible to immunise over 43 million children under the age of five in the country with the oral polio vaccine.

Ayesha Musharraf, a polio survivor who is now working as a polio vaccinator, is an inspiring figure in her hometown of Tangi in Khyber, Pakistan. She caught polio when she was only one year old and was left with paralysis in her legs. Despite her limited mobility, Ayesha decided to join the polio programme and is dedicated to ending the disease by reaching every last child in Pakistan. She champions the vaccination programme, turning her disability into an opportunity to convince parents who refuse to vaccinate their children.

Over 250,000 such frontline workers regularly go out to the most remote settlements in Pakistan to vaccinate all children under the age of five as part of national and subnational polio immunisation campaigns. These unsung heroes and their relentless efforts to leave no child behind are pivotal in completing the last mile.

Pakistan detected only one wild poliovirus case in 2021. This is a huge drop from the 147 and 84 cases detected in 2019 and 2020, respectively. Two of the three wild poliovirus strains have already been eradicated, leaving only one type still in circulation. Virus detection in environmental samples is much lower compared

### PAKISTAN'S WILD POLIOVIRUS ERADICATION PROGRAMME SUCCESS

2019: **147 CASES**  
 2020: **84 CASES**  
 2021: **1 CASE**

to previous years. Today, we have the best regional epidemiological situation of the disease that we have seen, and the global health community is optimistic that eradication is near.

The impact of this investment goes far beyond polio. The programme is successfully building broader health system capacity through the training of human resources, the funding of infrastructure, and complementary activities supporting routine vaccinations against other diseases, as well as integrated healthcare service delivery to communities. For example, the polio programme has been pivotal during the COVID-19 pandemic where it served as the backbone of the country's response, providing key support in surveillance, disease detection, and management.

Polio will remain a threat to all children until we reach 'zero'. A polio-free world is in sight, but we will only get there with the continued commitment of global development partners. We are the closest to the eradication of the poliovirus as we have ever been. This historical achievement will be only the second time a disease is eradicated from the world (after smallpox) and will be one of the biggest global health success stories.



UNDER THE UMBRELLA OF THE SFF,  
THE BANK HAS PIONEERED BOTH  
GREEN AND SUSTAINABILITY SUKUK  
TO MOBILISE MORE THAN

**US\$5 BILLION**

TO DATE FOR CLIMATE-FRIENDLY  
AS WELL AS SOCIAL DEVELOPMENT  
PROJECTS

### 3.2.2 SUSTAINABLE FINANCE FRAMEWORK

One of the key aims of the Bank is to build a future that reflects a deep commitment to implementing the 2030 Agenda for Sustainable Development – as articulated in the Sustainable Development Goals (SDGs) – and to build strong partnerships to achieve those goals. In this context, it is imperative to leverage innovative Islamic finance to strengthen the capacity of IsDB member countries on their road to the SDGs. To this end, the Bank has created a Sustainable Finance Framework (SFF) in line with the stringent and globally accepted standards set by the International Capital Market Association (ICMA) to enter the Green and Sustainability-linked space and mobilise resources from global capital markets to finance or refinance eligible projects in its member countries. This level of compliance provides Sukuk-holders with the comfort of information on the use of the proceeds and the ultimate impact of their investments.

Under the umbrella of the SFF, the Bank has pioneered both Green and Sustainability Sukuk to mobilise more than US\$5 billion to date for climate-friendly as well as social development projects (especially in the health sector). The Bank's debut Green Sukuk, which raised EUR 1 billion in November 2019, is the only AAA-rated Green Sukuk in the capital markets to date. The proceeds were fully allocated to 11 green projects across IsDB member countries, in alignment with the Climate Change Mitigation and Climate Change Adaptation environmental objectives. These included projects for renewable energy, clean transportation, energy efficiency, pollution prevention and control, environmentally sustainable management of natural living resources and land use, and sustainable water and wastewater management. Meanwhile, the debut Sustainability Sukuk raised US\$1.5 billion in June 2020, fully earmarked for COVID-19 projects related to 'access to essential services' and 'SME financing and employment generation'. This was the first-ever AAA-rated Sustainability Sukuk in the global capital markets. The issuance supported IsDB's contribution to the Group-wide SPRP. Then in March 2021, the Bank issued its second Sustainability Sukuk, which was also its largest Sukuk issuance ever, raising US\$2.5 billion, with 90 percent of the proceeds being deployed towards social projects and 10 percent to green projects.

## 3.3 SPECIAL DEVELOPMENT ACTIVITIES

### 3.3.1 WOMEN AND YOUTH EMPOWERMENT

In 2021, the Bank approved the operational strategy of the Women Empowerment Policy, which sets strategic priorities, provides tools, and establishes a results-based framework to deliver women's empowerment outcomes and targets to be carried out over the next five years. The strategy was used to mainstream women and youth empowerment in more than 35 of the Bank's sectoral and thematic programmes and projects during the year.

**In 2021, the Bank approved the operational strategy of the Women Empowerment Policy, which sets strategic priorities, provides tools, and establishes a results-based framework to deliver women's empowerment outcomes and targets to be carried out over the next five years.**

The Bank has also approved grant projects to provide institutional capacity development of organisations involved in women and youth empowerment in Gabon, Burkina Faso, and Sierra Leone. In addition, the Bank has supported strengthening of the institutional capacity of the newly established Women's Development Organisation by the OIC in Egypt.

In 2021 the Bank approved the implementation of the second grant funding awarded to the Bank by the Women Entrepreneurs Finance Initiative (We-Fi) for the Empowering West African Women Small and Medium Enterprises in Rice Value Chains (EWASME) programme in Guinea, Niger, Senegal, and Sierra Leone. The programme supports the expansion and upgrading of women-owned micro, small, and medium-sized enterprises engaged in post-production activities in the rice value chain. The Bank mobilised grant resources to the value of US\$11.25 million for the programme.

In line with the Engagement Pillar of its Youth Development Strategy, IsDB organises an annual, action-oriented Youth Development Forum (YDF). As a prelude to the Forum in 2021, the IsDB, in partnership with Microsoft Philanthropies, conducted a five-day webinar entitled "Skilling Youth for Success Post COVID-19" to equip young people with technical skills, including digital and computing skills. In addition, through its partnership with UNDP the Bank developed two reports on the State of the Ecosystem for Youth Entrepreneurship for Bangladesh and Indonesia. The Bank is also preparing a Youth Leadership Development Programme (YLDP) aiming at encouraging entrepreneurial and social leadership among youth by creating early engagement and providing visibility platforms.



### BOX 7: LAUNCH OF THE FIRST ECONOMIC EMPOWERMENT IMPACT INVESTMENT FUND IN UZBEKISTAN

The Economic Empowerment Impact Investment Fund for Uzbekistan, which was launched on the sidelines of the 2021 Annual Meeting of the IsDBG in Tashkent, is the first impact investment fund ever established not just in the Republic of Uzbekistan but in the Central Asian region as a whole.

The fund, with a capital of US\$100 million, is a strategic partnership between the IsDB and the Government of Uzbekistan, with the additional participation of Saudi private sector investors. The Government of Uzbekistan is contributing 35 percent of the fund's volume, while the IsDB is contributing 20 percent, and 45 percent is expected from the Saudi private sector investors with the support of the Saudi Ministry of Investment and its National Companies Promotion Programme.

The fund aims to provide an attractive and effective investment and financing platform that enables micro, small and medium-sized enterprises, social enterprises, cooperatives and third sector structures in Uzbekistan to obtain a package of financial and non-financial services necessary to launch or develop their projects and to ensure their sustainability. The fund also aims to develop investment opportunities around local value chains of high economic value, with the aim



THE FUND IS EXPECTED TO GENERATE MORE THAN

**102,000**

DIRECT JOBS THROUGH ITS SUPPORT FOR MORE THAN **34,000 MSMEs**, WITH WOMEN AND YOUTH BENEFITING FROM AT LEAST **50%** OF THESE INTERVENTIONS

of integrating vulnerable and poor groups. The fund is expected to generate (or help sustain) more than 102,000 direct jobs through its support for more than 34,000 MSMEs, with women and youth benefiting at least 50 percent from these interventions.

The fund will be supported by a technical assistance (TA) facility to cover some of the non-financial services needed by the beneficiaries. These include engineering investment opportunities, capacity building programmes, market access, and building partnerships. Based on the success of the first phase of the fund, the Government of Uzbekistan is expected to gradually increase its size to US\$500 million.



### 3.3.2 ECONOMIC EMPOWERMENT

In 2021, IsDB continued approving projects designed to empower MSMEs in its member countries to overcome COVID-19-related economic and financial challenges. This support came under the umbrella of the flagship IsDB-ISFD Strengthening the Economic Resilience of Vulnerable Enterprises (SERVE) Programme. After the approval of SERVE projects for Djibouti, Jordan, and Palestine in 2020, this year witnessed the approval of a project for Uzbekistan and a project dedicated to the tourism sector in Jordan. By end of 2021, the cumulative financing of SERVE projects approved had reached US\$91.40 million.

IsDB has also continued monitoring and supporting Economic Empowerment projects that are now in the implementation phase. These projects, in Jordan, Sudan, Libya, Egypt, Albania, Djibouti and Palestine, created or sustained more than 20,000 direct and indirect jobs in 2021 alone.

In addition, IsDB has mobilised more than US\$520 million for its Economic Empowerment interventions targeted at member countries, quadrupling its own financial contribution. This has been achieved despite the economic challenges associated with COVID-19. Another important milestone is the launch of a US\$100 million Economic Empowerment Impact Investment Fund for Uzbekistan under a strategic partnership between the Bank and the Government of Uzbekistan, with the participation of Saudi private sector investors (see Box 7).

### 3.3.3 CLIMATE CHANGE

In 2021, the Bank continued with the implementation of its Climate Action Plan (2020-2025) which sets out modalities for achieving IsDB's climate finance target of 35 percent by 2025. The Bank also started the development of an approach for aligning its operations and activities with the objectives of the Paris Agreement. About 40 projects across different sectors and regional hubs were screened against physical climate risks to harness opportunities and mitigate the impact of climate change. Similarly, in 2021, the Bank completed the development of a comprehensive climate risk management framework (CRMF) to consistently address climate risks in its operations.

The Bank also finalised the implementation of the technical assistance fund mobilised from the Nationally Determined Contribution (NDC) Partnership to support climate change-related activities in Lebanon, Nigeria, and Palestine. In 2021, the Bank engaged with the Green Climate Fund (GCF) to seek accreditation to mobilise grant-based and concessional resources for climate action in member countries. In parallel, the Bank became a delivery partner of the GCF to provide readiness support to its member countries to access climate finance. The GCF approved a US\$2.7 million IsDB readiness proposal for private sector climate action in Iraq, Bahrain, Lebanon,

Jordan, and Palestine. In addition, the Bank was identified as an implementing partner of the newly established UN-led Systematic Observations Financing Facility (SOFF).

Meanwhile, the IsDB "Building Resilience to Recurring Food Insecurity" programme in Burkina Faso gathered lessons on the use of the Warrantage system for transformative climate finance for smallholder farmers. The project helped protect the livelihoods of the most vulnerable households, and strengthen the resilience of pastoralists, agro-pastoralists, and farmers in the northern areas of the country.

### 3.3.4 FRAGILITY AND RESILIENCE

In 2021, the Bank continued to operationalise its policies of fragility and disaster risk management through mainstreaming the application of a conflict sensitivity lens and disaster risk management in over 30 projects in member countries affected by fragility and conflict. Furthermore, the Bank continued to implement its flagship programmes to enhance curriculums for Syrian refugees in Jordan. In addition, the Bank has approved emergency response grants for Niger and Tajikistan to support people affected by natural disasters. The Bank also finalised joint Fragility and Resilience Assessments (FRAs) for Uganda, Sierra Leone, Guinea, and the Gambia, which have been jointly conducted with AfDB to assess challenges and opportunities and identify sources of resilience.

The Bank developed the first-ever "IsDB Resilience Index" based on five critical dimensions of risk and vulnerability across the 57 member countries including (i) Forced Displacement (ii) Economy/Livelihoods; (iii) Health/Pandemics, (iv) Environment/Natural Disasters, and (v) Human Security. These dimensions are based on the IsDB's mandate priorities and challenges facing member countries. The tool assesses aspects of resilience in member countries to identify opportunities for sustainable economic development and will inform the Bank's country engagement, programmes, and projects. The Bank also launched the biannual IsDB Resilience Report 2021 titled "Pandemic Recovery and Preparedness" and will examine the impact of COVID-19 and other crises such as human-made and natural disasters in member countries. It also offers deep-dive case studies of member countries including Côte d'Ivoire, Togo, Mozambique, Tajikistan, Kazakhstan, Iraq, Pakistan, Mauritania, and Yemen.

Lastly, to enhance staff capacity to effectively engage in fragile and conflict settings, the Bank also conducted a Do-No-Harm and Conflict Sensitivity training for the Operation Team Leaders (OTLs) at Regional Hubs and staff in the HQs to familiarise them with these concepts and facilitate their application in programmes and projects.



### 3.3.5 NGOs AND CIVIL SOCIETY ENGAGEMENT

In 2021, in line with the Civil Society Engagement Policy pillar of “Diversifying sources of financing”, the Bank mobilised a record total of US\$64.9 million. Partnerships were finalised with institutions including the NAMA Foundation, the International Institute of Tropical Agriculture, the International Federation of Red Cross and Red Crescent Societies (IFRC), the Al Awn Foundation, Spark, and UNDP to support two programmes: the IsDB & ISFD NGO Empowerment for Poverty Reduction programme, and the Tadamon CSO Pandemic Response Accelerator. These initiatives will help the Bank adopt a range of additional and non-traditional resource mobilisation options. To better engage with and, where appropriate, jointly finance or empower civil society engagement actions, key areas of collaboration with these partners include (i) COVID-19 responses in Libya Somalia, Sudan; (ii) poverty alleviation interventions in Nigeria, Niger, Mali, Cameroon, and Burkina Faso to support vulnerable communities affected by fragility and conflicts; and (iii) provision of capacity development to Civil Society Organisations (CSOs) in Indonesia, Kyrgyzstan, and Yemen.

The Bank also launched a grant for CSO proposals for Indonesia, Kazakhstan, Lebanon, Morocco, Somalia, and Tunisia to empower CSOs and enhance the resilience of hard-to-reach communities. Moreover, through the

NGO programme (local civil society grants) two grant operations totalling US\$368,543 were approved in 2021 for Chad and Pakistan. These operations will focus on enhancing the promotion of agro-pastoral products, increasing job opportunities as well as fostering human development for sustainable livelihoods and the conservation of natural resources. In 2021, around 13 capacity-building workshops were organised through Tadamon for Burkina Faso, Comoros, Indonesia, Kazakhstan, Lebanon, Libya, Maldives, Morocco, Niger, Palestine, Saudi Arabia, and Somalia.

### 3.3.6 SPECIAL ASSISTANCE PROGRAMMES

Fostering the socio-economic development of Muslim minority communities in non-member countries (NMCs) is at the heart of the IsDB’s mandate. The Bank also recognises that a holistic, multidimensional approach is essential to achieving inclusive development for all.

The Community Outreach Division (COD) anchors its work in the capacity development of Muslim minority communities in NMCs, thus paving the way for sustainable and inclusive development in their countries. Various deliverable development solutions have been designed and implemented since the inception of the Communities Outreach Programme (COP), previously known as Special Assistance.

By 2021, the COD had recorded notable progress in the following important areas which leverage the Bank's support to Muslim minority communities in NMCs. These are:

- Appraisal of 18 projects in the pipeline to ensure their quality at entry and subsequent preparation of the consolidated project document submitted to management for approval to utilise the 2021 allocated budget, amounting to US\$4.75 million.
- Development and incorporation of the COP's web link in the IsDB website to enhance its outreach and connectivity with its stakeholders.

In continuation of the above efforts, COD is mindful of the pressing development needs of Muslim communities and of the need to adopt a multidimensional approach to enhancing the effectiveness and the global visibility of a programme that has already made significant development gains over the last four decades.

### 3.3.7 SCHOLARSHIPS

In 2021, US\$7 million (US\$6 million from IsDB and US\$1million from ISFD) was approved for a variety of scholarships. Following a thorough review of all applications received through the IsDB Scholarship portal, scholarships were awarded to 301 students. These comprised 92 students from 62 countries for Undergraduate studies, 37 students from 35 countries for Master's studies, 87 students from 48 countries for PhD and Post-doctoral research, and 85 students from 21 IsDB LDMCs for the IsDB-ISFD Scholarship Programme. As a result of efforts to promote gender balance, the proportion of female scholars improved significantly in 2021 to reach 50 percent for both genders.

The IsDB has established several partnership initiatives with the world's top universities and international organisations and universities in member countries in recent years to enhance and expand the Scholarship Programme. A new partnership agreement, on a cost-sharing basis, was also signed in 2021 with Makerere University in Uganda bringing the total number of agreements to 12. The cost-sharing at the heart of these agreements enables a significant increase in the number of scholarship beneficiaries, improves higher education quality, and ensures a better experience for students and scholars. Under the IsDB Scholarship Programme, 1,595 students are currently pursuing their studies at top universities in 90 countries.

**The IsDB has established several partnership initiatives with the world's top universities and international organisations and universities in member countries in recent years to enhance and expand the Scholarship Programme.**

### 3.3.8 ADAHI PROJECT

The Kingdom of Saudi Arabia has entrusted the Islamic Development Bank with the management of the Kingdom's Hady & Adahi project to provide high-quality services to pilgrims, to facilitate the performance of their rituals in line with legal and health standards, and to enable them to benefit from what is slaughtered for the benefit of the poor and needy inside the Haram and outside the Kingdom.

The number of sacrifices carried out during the legal time of the Hajj season in 1442H reached more than 109,000 sheep heads. The slaughters during and after the Hajj season were distributed to target groups inside the Kingdom of Saudi Arabia in accordance with the partnership between the Adahi project and the 200 accredited charities approved by the Ministry of Human Resources and Social Development.

Adahi has set up a company with the IsDB's support to transform animal waste into gelatin and capsules, thereby improving environmental health at the holy sites and developing a source of Halal gelatin and capsules. The company's projects are also in line with the achievement of several initiatives that form part of the Kingdom's Vision 2030, such as the introduction of industries that deliver added value by developing local industrialisation with a positive impact on the environment. The company will also create growth opportunities for other industries that use gelatin in the manufacture of other new products that are required locally and abroad. In 2021, the company increased the production capacity of gelatin from 750kg per day to 1400kg and cut the soaking stage from 45 days to 10 days. The company earned several quality standard certificates, including ISO9001, a Halal certificate, a certificate of product registration and activity practice from the Food and Drug General Authority of Saudi Arabia, an Export Validity Certificate, and a "Made in Saudi Arabia" certificate.

# 4

## STRENGTHENING INSTITUTIONAL EFFECTIVENESS



## AT A GLANCE

THE 6<sup>TH</sup> GENERAL CAPITAL INCREASE OF

**ID5.5 BILLION**

WAS APPROVED IN DECEMBER 2020

FOUR RATING AGENCIES HAVE AFFIRMED THE ISDB'S

**“AAA” RATING**

WITH A **“STABLE”**

OUTLOOK IN 2021

SINCE ITS INCEPTION IN 2010, ISDBG HAS PREPARED **22 MCPSs**, WITH 20 COMPLETE IMPLEMENTATIONS, AND TWO MCPSs STILL UNDER IMPLEMENTATION. STARTING FROM 2021, **11 MCPSs** ARE EXPECTED TO BE FORMULATED ANNUALLY

A **NEW ADMINISTRATIVE TRIBUNAL** HAS BEEN ESTABLISHED TO RESOLVE EMPLOYMENT-RELATED DISPUTES BETWEEN ISDBG STAFF AND THE ORGANISATION

## 4.1 BOARD OF GOVERNORS

The IsDB Board of Governors (BoG) is composed of representatives of the 57 member countries, mostly at the ministerial level. Each member country is represented on the BoG by a governor and an alternate governor and has 500 basic votes in addition to one vote for each of its subscribed shares. Generally, BoG resolutions are taken by a majority of the voting power represented at the respective meeting.

The BoG annual meetings are held once every three years in the headquarters (Saudi Arabia) and twice in other member countries. In its annual meetings, the BoG reviews the activities undertaken by IsDB over the previous year, as well as future strategies and policies. It also elects its new chairperson for a one-year term. The BoG is the highest IsDB governance and policymaking body. It may delegate certain powers to the IsDB Board of Executive Directors for general IsDB operations.

The 46th IsDB BoG Annual Meeting was held on 26-27 Muharram 1443 (3-4 September 2021) in Tashkent, the Republic of Uzbekistan under the theme “Respond, Restore, Restart: Post-COVID Resilience and Prosperity for All”. The 46th IsDB Annual Meeting was the first annual meeting to be held in person since the COVID-19 outbreak, as well as the first to be held following the historic approval of the 6th general capital increase, reflecting generous shareholder support

In conjunction with the annual meeting, IsDB organises the Governors’ Roundtable, a unique event that provides a platform for IsDB governors to brainstorm and exchange views and practical ideas on addressing issues of interest to their countries and the IsDB. The roundtable this year reached a common vision on addressing the critical development challenges posed by the COVID-19 pandemic and potential short, medium, and long-term solutions and recovery by focusing on three main themes:

- a) Boosting COVID-19 recovery
- b) Tackling increasing poverty and building resilience
- c) Driving green economic growth in member countries



## 4.2 BOARD OF EXECUTIVE DIRECTORS

The IsDB Board of Executive Directors (BED) is composed of 18 members: nine appointed members representing each of the nine major shareholders, and nine elected members, each representing a group of four to seven countries. The BED, currently in its 16<sup>th</sup> session, usually holds five meetings a year. The BED directs IsDB's general operations and business. More specifically, it approves projects and adopts resolutions on financing, policy, and administrative matters. The BED also exercises all powers delegated to it by the BoG, such as preparing BoG work, approving the budget, considering each financial year's statements, and submitting them to the BoG for approval. The BED members also serve on its four committees:

- Governance and Administrative Committee
- Operations and Development Effectiveness Committee
- Finance and Risk Management Committee
- Audit Committee

The table below provides an overview of BED meetings held in 2021.

## 4.3 RISK MANAGEMENT

In carrying out its mandate, the Bank is exposed to various kinds of risks, including credit, market, liquidity, and operational risks. The Bank has a robust risk management architecture to manage these risks, including capital adequacy, an exposure limit management framework, an asset and liability management framework, an operational risk management framework, and an end-to-end credit process for conducting its business operations. Risk oversight is performed by the Board of Executive Directors and its Finance and Risk Management Committee, which approves the risk strategy, policies, and guidelines. The IsDB Management, supported by the Risk Management Committee (RMC) and Asset and Liability Management Committee (ALCO), ensures the execution of the activities in accordance with an approved risk governance framework.

The Bank's Risk function is advancing over time by adopting a holistic approach towards managing various financial and non-financial risks. In this context, in 2021, the implementation of a Bank-wide Enterprise Risk Management Project with advanced risk and financial analytics, including an integrated DataMart, continued to progress. The Bank has developed a comprehensive set of risk metrics and tolerances in translating the high-level Risk Appetite Statement, which will provide clear guidance on the key risk universe of the Bank.

**TABLE 4.1: SUMMARY OF BED MEETINGS 2021 (1442-1443)**

Date of B.E.D. Meeting	Meeting	Projects (*)	Special Assistance operations	Strategic and policy items	Other items	Items approved by the President and submitted to the BED for information (**)	Total number of Agenda items	Resolutions adopted
27 February 2021 (15 Rajab 1442) (Virtual)	339	1	-	1	29	-	31	15
24 April 2021 (12 Ramadan 1442) (Virtual)	340	2	-	3	41	-	46	22
20 June 2021 (10 Dhul Qa'da 1442) (Virtual)	341 (Part-I)	4	-	3	8	-	15	9
1 September 2021 (24 Muharram 1443) (Physical) Tashkent (46 <sup>th</sup> Annual Meeting)	341 (Part-II)	3	-	-	7	-	10	4
25 September 2021 (18 Safar 1443)(Virtual)	342	3	-	-	29	-	32	10
18 December 2021 (14 Jumad Awwal 1443) (Virtual)	343	23	-	4	27	1	55	36
<b>Total</b>	<b>6</b>	<b>36</b>	<b>-</b>	<b>11</b>	<b>141</b>	<b>1</b>	<b>189</b>	<b>96</b>

(\*) Projects & Technical Assistance Operations

(\*\*) Including Technical Assistance Operations approved by the President of the IsDB.

**Note:** Out of the 189 items considered by the Board of Executive Directors (BED), resolutions were adopted on 96 items, while 1 item was approved by the President, as indicated in the second footnote. The remaining 92 items pertain to reports considered during BED Committees, Executive Sessions, standing items such as Adoption of the Agenda, Adoption of the Minutes, Brief Oral Report of the President of the IsDB, Investment Operations, Follow-up Matters, and other items for information.

Among other developments in 2021, the Bank initiated the implementation of the Model Risk Management and Governance Framework to proactively mitigate the Bank's exposure to Model risks that are currently in use. The LIBOR transition project has been undertaken to minimise the impact and ensure a smooth transition to alternate benchmark rates. The review and calibration process of the internally developed risk rating models to improve the probability of default estimates of the IsDB Portfolio is near completion. Significant progress has been achieved in the implementation of the Operational Risk System for automating operational risk measurement, monitoring, management, and operationalisation of Risk Control and Self-Assessment (RCSA), loss data, and Key Risk Indicators (KRI). Good progress has been achieved in the implementation of a cybersecurity framework to improve organisational resilience and manage cyber security risks effectively.

## 4.4 AUDIT ACTIVITIES

The IsDB's Internal Audit is the third line of defence in the risk management framework. It is responsible for providing the IsDB's Board of Executive Directors and Management with objective, independent assurance, as well as advice on the effectiveness and efficiency of the corporate governance, risk management, and internal control processes and systems and for making recommendations and providing advice to promote the IsDB's long-term strength.

IsDB uses a risk-based approach to develop an Annual Audit Plan aligned with the IsDB's strategic priorities and its most significant and emergent risks. Whenever observations are raised, the Internal Audit evaluates the Management Action Plans (MAPs) to resolve the issues and then rigorously follows up on them. The IsDB management is responsible for ensuring that issues raised by the Internal Audit are addressed within an appropriate and agreed timetable.

The Internal Audit function is independent, objective, and adheres to the Institute of Internal Auditors' mandatory guidance. The Director of Internal Audit reports functionally to the Board of Executive Directors, through the Audit Committee, and administratively to the President.

The Internal Audit submits periodic activity reports that include information on audit results, and quarterly Management Action Plan implementation status reports, to the Audit Committee and the President and Chairman of the BED. The external auditor is afforded free access to all internal audit reports and supporting records. In 2021, the Internal Audit Department continued to ensure adaptability in carrying out its audit work at a time of limited social contact without compromising the quality of the audits undertaken.

**IsDB continued to invest in strengthening the functional capability, productivity, and efficiency of the Internal Audit by adopting new technology and improving internal auditors' skills through online training, webinars, and workshops.**

IsDB continued to invest in strengthening the functional capability, productivity, and efficiency of the Internal Audit by adopting new technology and improving internal auditors' skills through online training, webinars, and workshops. In line with its continuous efforts to enhance audit practices, the Internal Audit participated in online international meetings, conferences, and networks such as the Multilateral Financial Institutions Chief Audit Executive Group, and the United Nations Representatives of Internal Audit Services and Multilateral Financial Institutions.

## 4.5 COMPLIANCE

In its day-to-day business during 2021, IsDB ensured that its activities were free from compliance risk and arranged to mitigate minor compliance risks it came across in cooperation with the relevant IsDB units and external partners. In 2021, IsDB prepared Compliance Country Reports (CCRs) for Gabon, Maldives, Tunisia, Uganda, and Uzbekistan. It also contributed to the development of "Guidelines for Non-Governmental Organisations (NGOs)"; and a revisit of Standard Bidding Documents for Procurement of Works (SBDW).

IsDB was granted Observer Status with the Intergovernmental Action Group against Money Laundering in Central Africa (GABAC) during a plenary meeting held on 29 October 2021, in Douala, Cameroon. The Bank has subscribed to the SWIFT KYC-Registry to enhance IsDB efficiency and integrate into the international community. Compliance conducted two training sessions to Compliance Focal Points (CFPs) within IsDB business Units: the first on KYC/AML/CFT Forms/Checklist, and the second on sanctions.



IN 2021, THE INTERNAL AUDIT DEPARTMENT CONTINUED TO ENSURE ADAPTABILITY IN CARRYING OUT ITS AUDIT WORK AT A TIME OF LIMITED SOCIAL CONTACT WITHOUT COMPROMISING THE QUALITY OF THE AUDITS UNDERTAKEN.



## 4.6 CORPORATE GOVERNANCE

Major achievements in Corporate Governance in 2021 are as follows:

- A key milestone in the history of the Bank is the establishment and operationalisation of a new Administrative Tribunal to resolve employment-related disputes between IsDBG staff and the organisation. The IsDBG Administrative Tribunal is the highest body in the internal administration of the justice system. The Tribunal is an independent judicial body, composed of five members.
- The Chairman of IsDB Group approved the Internal Mechanisms for Settlement of the Grievances of the Staff of the IsDB Group which sets forth an administrative review, the mediation of the ombudsman, and the appeals committee review of IsDBG staff grievances.
- The Chairman of IsDB Group approved the establishment of the Appeals Committee for Grievances of the Staff of the IsDB Group.
- The Chairman of IsDB Group approved the Staff Disciplinary Rules of IsDB Group.
- The BED approved a new code of conduct for IsDB Board of Executive Directors which sets forth principles and ethical standards applicable to its members.
- The BED approved the establishment of the Ethics Committee of the IsDB Board of Executive Directors as well as its related Charter.
- The Corporate Governance Section (CGS) published monthly updates to the organisation structure in the Governance and Policy Portal, and periodically reviewed the Organisational Manual.
- The President approved the Authorised Signatory Book for Banking and Treasury Operations, Investment Operations, and Islamic Financial Services Operations. In collaboration with SignatureNet, the Bank launched its online platform for the management of authorised signatures.
- A new Corporate Governance and Policy Portal (<http://cg.isdb.org/>) has been established to allow IsDB Staff and BED members to access governance documents and approved policies of the Bank.
- A mandatory corporate governance e-learning course has been launched, which must be attended by all staff members at least once a year.

## 4.7 CREDIT RATING

The IsDB is rated by four rating agencies including the three internationally renowned credit rating agencies (Standard & Poor's Global, Moody's Investors Service, and Fitch Ratings) and the Malaysian Rating Corporation (MARC). All four agencies have affirmed the IsDB's "AAA" rating with a "stable" outlook in 2021. This reflects the IsDB's extremely strong financial profile underpinned by robust capitalisation including the approval of the 6<sup>th</sup> GCI, low leverage and sound liquidity and funding positions, strongly preferred creditor status as well as a strong track record of shareholder support and the delivery of its unique role and development mandate in its member countries. Furthermore, this outcome, despite the credit challenges, demonstrates the Bank's resilience, robust governance and management, and commitment to the development agenda of member countries.

IsDB is designated as a Zero-Risk Weighted Multilateral Development Bank by the Basel Committee on Banking Supervision and the European Commission, further demonstrating the Bank's excellent business and financial profile.

## 4.8 SHAREHOLDERS' SUPPORT

One of the main reasons for the Bank's strong credit rating by all the international rating agencies is the strength of shareholders' support in the form of capital subscriptions and payments. For the first 30 years of its operation, the Bank's operations had been funded by the equity contribution of the member countries. Operational growth has since increased beyond the level of capital growth which warrants external resource mobilisation efforts in the form of Sukuk issuance from the international capital market. Notwithstanding that, continuous capital injections are still required to further strengthen the capitalisation level in tandem with the ever-growing operational growth.

The IsDB capital is divided into several components: Initial Capital, General Capital Increase (GCI), and Special Capital Increase (SCI). Since its inception, the IsDB has undertaken several general capital increases which were offered and subscribed to by most of the member countries as a manifestation of their support. The 6<sup>th</sup> GCI of ID5.5 billion was approved in December 2020. This 6<sup>th</sup> GCI will enable the Bank to empower member countries on their journey towards achieving the Sustainable Development Goals (SDGs). As well as sending a strong message to the major rating agencies regarding the solid support of IsDB's shareholders – a key rating assessment criterion – this is also critical for the Bank as it continues to leverage its AAA rating to mobilise resources to fulfil the increasing demand for development financing across its member countries.

## 4.9 MEMBER COUNTRY PARTNERSHIP STRATEGY

The IsDB Group's Member Country Partnership Strategy (MCPS) is a useful instrument for strategising medium-term country engagement and synergising IsDBG interventions in member countries. Since the inception of the instrument in 2010, the IsDBG has prepared 22 MCPSs, with 20 complete implementations, and two MCPSs still under implementation for Uzbekistan and Egypt. Starting from 2021, 11 MCPSs are expected to be formulated annually. All MCPS exercises will be conducted at the IsDB Group level to ensure a one-IsDB approach in addressing the development needs of member countries and offering tailored solutions to the various development challenges.

Currently, MCPSs are at various stages of preparation for the following countries: Gabon, Maldives, Morocco, Turkey, Senegal, Guinea, Nigeria, Niger, Indonesia, Saudi Arabia and Malaysia. Of these, four MCPSs (Gabon, Maldives, Morocco, and Turkey) were initiated in 2018-19 and seven MCPSs were initiated in 2019 (Senegal, Guinea, Nigeria, Niger, Indonesia, Saudi Arabia and Malaysia). The Bank is committed to finalising and launching the six in-preparation MCPSs in 2022. These will be founded on member countries' national development plans, amenable to their changing post-COVID-19 priorities, and aligned with the Bank's core mandate.

## 4.10 OPERATIONS EVALUATION

IsDB regularly conducts an independent assessment of its development effectiveness. In 2021, IsDB's Operations Evaluation Department (OED) evaluated 10 projects in member countries, covering energy, health, education, transport, water and sanitation, agriculture and rural development, and Information, Communications and Technology (ICT).

Nine evaluation requests were received from Management, including four on-demand evaluations, five of which were during Q4 of 2021. Two on-demand project-level evaluations were conducted: the Deep Well and Construction of Schools Project in Somalia, and ICD's AlFareeda Project in Saudi Arabia. In addition, IsDB conducted a Real-Time Evaluation of the SPRP to COVID-19. Six special reviews were also undertaken. These covered IsDB's performance over the last five years, delayed projects of the IsDB sovereign portfolio, the STI Fund, the Scholarships and the Community Outreach Programmes, and the 2021 IsDBG Annual Meetings.

Evaluations were also initiated with respect to the IsDB Group's Food Security Programme, IsDB's equity investments in Islamic Banks, and projects financed through Lines of Financing. The OED launched the Corporate Evaluation of Operational Efficiency and resumed the assessment of IsDB off-balance-sheet

Resource Mobilisation efforts. The Annual Evaluation Report for 2020 was finalised, duly cleared by the Operations and Development Effectiveness Committee (ODEC) and approved by the BED in June 2021.

IsDB also launched its revamped intranet-based knowledge portal LEARN and the Systematic Tracking of the Execution of Evaluation Recommendations (STEER). In 2021, 26 different knowledge products were produced, including two Executive Dissemination Notes, nine Knowledge Series, four synthesis articles, five flyers, two educational videos, and four quarterly Operations and Evaluations Newsletters.

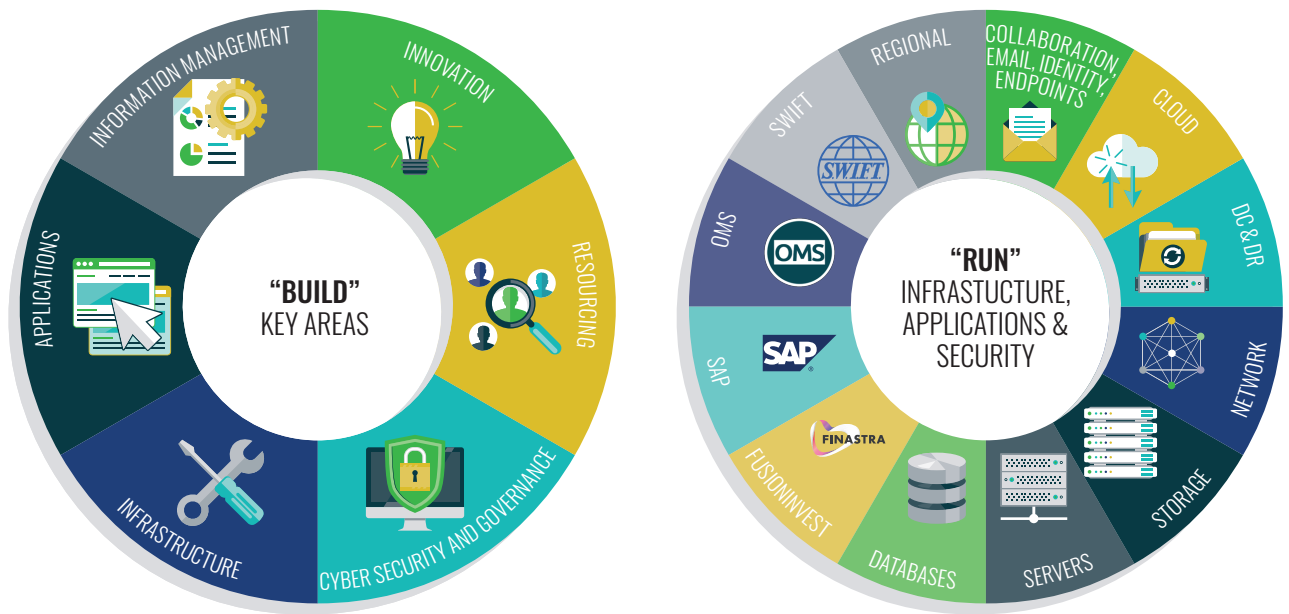
IsDB offered two virtual trainings in member countries: TAQYEEM, the first-ever evaluation training in Arabic for five member countries in the Maghreb region and the Kingdom of Saudi Arabia; and the Arabic version of the OECD DAC Evaluation Criteria, titled "Better criteria, Better Evaluation". Moreover, in collaboration with its partners, IsDB launched the Global Evaluation Initiative in the MENA region and contributed to several evaluation webinars in close collaboration with peer development partner institutions.

## 4.11 DEVELOPMENT EFFECTIVENESS

The Bank is dedicated to improving the effectiveness of its operations and achieving developmental goals in its member countries. To this end, the Bank has developed effective monitoring and evaluation systems and tools to deliver developmental results that are inclusive, sustainable, and cost-effective. These tools have enabled the Bank to integrate the results framework at the early stage of project design, and to continue to monitor progress during implementation, measure results, and measure impact after completion.

The projects and grants approved in 2021 are expected to yield promising results once completed and will contribute to the key sustainable development goals, namely SDG1, SDG2, SDG3, SDG4, SDG6, SDG7, SDG9, SDG16, and SDG 17, with SDG 3 (health) remaining a high priority for project approvals due to the ongoing pandemic.

The IsDB produces an Annual Development Effectiveness Report (ADER) that reports on progress against established objectives and indicators and encompasses all levels of the Results Framework at the organisational level. It also showcases efficiencies introduced internally at the operational and organisational levels to accelerate the achievement of results.



## 4.12 BUSINESS AUTOMATION SOLUTIONS

The implementation of business automation solutions in 2021 covered development and operational maintenance work. Development is categorised into six build areas and operational maintenance, ensuring daily runs of business activities supported by the Information Management and Disruptive Technologies (IMDT) Department operate smoothly within the required service levels. In addition to the standard "Build" and "Runs", the IT Strategy and Operating Model runs in parallel across a four-year programme.

The main focus has been on ensuring resilience through cybersecurity, information security, and technology risk management practices. This includes the establishment of security operations through a Managed Detection and Response (MDR) service with the Cybersecurity, Information Security and Risk Framework (CISRF) to monitor security across the IsDB IT environment, respond to any security incidents promptly, and identify security gaps and vulnerabilities so that they can be remediated proactively to reduce the risk of disruption to IT and business operations. Infrastructure modernisation was also conducted in parallel, advancing the capacity to work remotely, as well as decentralisation, and business continuity management. This also includes setting the foundation for infrastructure components to be cloud-enabled.

A three-year data governance initiative has also been piloted with a key project focusing on the adoption of a business glossary, data dictionary, master data management, data quality, data classification, data access management, data retention, and data governance processes. This will be used as a blueprint across other business domains and will instil the required discipline across business data owners with clear roles and responsibilities in Business and IT.

The Enterprise Architecture (EA) capability initiative defined both the baseline and target blueprints across IsDB EA domains (business, applications, data, and technology) to ensure the continuity of technological components (applications, data, technology) to serve the business requirements in a more agile way and ensure a fast response to IsDB's future needs.

In addition, IMDT Department ensured that the appropriate resources were made available in order for seamless remote working by staff during the pandemic. In this context, particular attention was given to areas of online collaboration, cybersecurity, enhanced business process as well as extending the services and support scope and hours at IDB HQ and the regional hubs.

**The main focus has been on ensuring resilience through cybersecurity, information security, and technology risk management practices.**

## 4.13 HUMAN RESOURCES MANAGEMENT

Human Resources Management has demonstrated flexibility and dedication to make it through the COVID-19 pandemic and maintain operations with no major disturbances. As part of continuous operational improvements, IsDB has merged Sourcing & Recruiting with onboarding and rebranded these functions as the Talent Acquisition Unit. This fine-tuning has enabled IsDB to streamline the recruitment process from end to end, improve the employee experience, and increase collaboration and communication between business units. IsDB has recruited 51 new joiners with assessments and interviews held virtually.

The Talent Vision, Strategy, and Model project was completed in 2021, with six frameworks and guidelines on attraction, assessment, development, career management, succession planning, and monitoring to facilitate its effective implementation. IsDB continued leveraging e-learning as an alternative channel for staff training during the WFH period with more courses now made available to staff for their professional development. It has also succeeded in the development of a new competency framework (core and leadership competencies) and in leveraging e-learning through custom-made e-library soft skills.

In addition, IsDB has developed a People Strategy, which includes revised HR themes and initiatives. IsDB has also drafted an Organisation Management Concept paper, which outlined key recommendations on the improvement of organisation management matters. Some key policies that have been introduced or enhanced during 2021 include Rules of the Retirement Medical Solidarity Fund (RMSF), a proposal to the management to reduce the amortisation of the installation allowance from two years to one year, development of a Flexible Work Environment initiative that allows working from home or anywhere, and the evaluation of 66 job descriptions which also included the new positions arising from fine-tuning in the Organisation Structure.

IsDB continued leveraging e-learning as an alternative channel for staff training during the WFH period with more courses now made available to staff for their professional development.

## 4.14 OTHER ADMINISTRATIVE SERVICES

### 4.14.1 SAFETY AND SECURITY

The Safety and Security Section stepped up during the pandemic to guarantee the safety of IsDB staff not only within Headquarters – where it enforced the highest precautionary measures – but around the world through the contracted services of International SOS to assist staff and their families in need of security or medical help. Further efforts included building a staff SMS notification channel for urgent announcements and alerts. Additionally, the Safety and Security Section managed to save over 1 million SAR annually by revising the current security services contract to reduce manpower and implement technological alternatives.

### 4.14.2 FACILITY MANAGEMENT SERVICES

In a new initiative, IsDB has introduced a Total Facility Management (TFM) service (a single-source provider of comprehensive facility services). This covers most of the hard and soft services inside IsDB over the HQ campus and housing compound and was previously handled by 22 contractors. The introduction of TFM is in line with best practice in most international organisations, and is intended to streamline services, improve quality and maintain efficient cost spending. The TFM service started in February 2021, and a contract was awarded for three years.

### 4.14.3 EMPLOYEE RETURN TO OFFICE (RTO)

Constantly adapting to change is a hallmark of the IsDB's Facility Management & Service Delivery (FM&SD). In 2021, staff health and hygiene were of paramount importance as part of ensuring a seamless, safe and comfortable return to work. IsDB executed the following preparedness programmes through the TFM service provider at the IsDB buildings (HQ, Buildings 1,2,3 & the Tent Hall), in compliance with the host country's health and safety protocols and Business Continuity Management (BCM) guidelines.

- Microbial Aerial Disinfection services.
- Availability of alcohol-based hand sanitisers near the elevators, VIP offices, washrooms, building entry & exits, parcel/courier receiving points, reception areas, etc.
- Signage in public gathering places such as elevator lobbies, elevator cars, VIP reception areas, near ATMs machines, guest/visitor waiting areas, meeting rooms, washrooms, etc.
- Automatic glass doors at Bank entrances.
- Pest control service.



#### 4.14.4 STAFF HEALTH SERVICES

With the unprecedented challenges posed by the COVID-19 pandemic, IsDB's Health Services Centre (HSC) has focused on ensuring staff safety and minimising disruption to its service delivery. Primarily, HSC has aimed to proactively respond to these challenges through an innovative and resilient approach prioritising staff and family members' safety and health. This was achieved by conducting remote medical consultations, home delivery services, and knowledge and awareness sessions, among others.

HSC leveraged the use of innovative digital solutions to continue delivering its services to IsDB staff. This included virtual medical consultations delivered via online telemedicine platforms. In total, 2,603 consultations were conducted via telemedicine technology providing staff with quality treatment and convenient care. These services were delivered through HSC's existing network of 67 healthcare providers in 2021.

In support of IsDB's decentralisation efforts, HSC engaged with local medical providers at the host countries of IsDB Regional Hubs to provide staff with benefits and services similar to those offered to staff at HQ. A total of 120 medical provider branches were established in all RHs, with Ariba registration.

With the rising number of COVID-19 cases in the HQ, HSC intensified its efforts in conducting mass screening and the tracing of infected cases at IsDBG, isolating suspected cases, and following up with hospitalised staff. Moreover, HSC successfully secured competitive cost agreements for COVID-19 diagnostic PCR and antibody testing services with certified testing centres for IsDB staff. It successfully conducted two PCR testing campaigns at HQ for participants of the Annual Meetings 2021, and two vaccination campaigns at HQ were conducted successfully in collaboration with the Ministry of Health KSA. During the Annual Meetings 2021, HSC executed several activities, including establishing clinics in each hotel, 24/7 medical coverage in coordination with the Ministry of Health Uzbekistan, six PCR stations, and disinfection of premises.

# ANNEXES



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## SHARI'AH AUDIT REPORT FOR 1442H/1443H

**All praise is due to Allah, the Lord of the Universe; and may blessings and peace be upon Prophet Muhammad and upon his household and companions.**

H.E. Chairman of the Board of Governors,  
Honorable Members of the Board of Governors,

***Assalamu alaikum warahmatullahi wabarakatuhu***

Pursuant to the regulations of the Islamic Development Bank Group (IsDB Group) Shari'ah Board, and based on the mandate of the Board; specifically to submit to you an annual Shari'ah Audit Report on the activities undertaken by the IsDB Group during the year 1442/1443, we would like to inform you that we, as represented by the sub-committee in accordance with the practice followed by the Board, have carried out an overall audit of the applied principles as well as the contracts pertaining to the transactions and applications that have been presented to us for the IsDB Group (Ordinary Capital Resources), the Special Account Resources Waqf Fund (Waqf Fund), the Islamic Corporation for the Insurance of Investment and Export Credit, the Islamic Corporation for the Development of the Private Sector, the International Islamic Trade Finance Corporation, the Islamic Solidarity Fund for Development, the Awqaf Properties Investment Fund, the World Waqf Foundation, and all funds managed by IsDB during the year ending on 31 December 2021G (27 Jumada Ula 1443H). We have also conducted, based on our Shari'ah-compliance oath, the audit required to give an opinion on whether the IsDB Group has complied with the rules and principles of the Shari'ah as well as the *Fatwas*, decisions, rulings and specific guidelines issued by the Board.<sup>1</sup>

The responsibility of ensuring the IsDB Group's compliance with the Shari'ah rules and principles lies with the management of the IsDB Group. In contrast, our responsibility is limited to expressing an independent Shari'ah opinion based on our audit of the IsDB Group's operations.

We planned and carried our audit so as to obtain every fact and explanation that we deemed necessary to provide us with enough proof to reasonably confirm that the IsDB Group has not contravened the rules and principles of the Shari'ah.

<sup>1</sup> Members of the Islamic Development Bank Group Sharia Board are: His Eminence Sheikh Muhammad Taqi Usmani (Chairman), His Eminence Sheikh Abdullah S. Al Meneea (Deputy Chairman), His Eminence Dr Usaid Al-Kilani, His Eminence Dr. Basheer Ali Omar, His Eminence Dr. Koutoub Moustapha Sano, His Eminence Dr. Mohamed Raougui, and His Eminence Dr. Muhammad Syafii Antonio.



## IN OUR OPINION

1. The IsDB Group has followed the procedures required to comply with the contracts that the Committee prepared and audited.
2. The dividends paid and the losses incurred on the investment accounts are in conformity with the basis that we adopted in line with the rules and principles of the Shari'ah.
3. All gains made from transactions or methods forbidden under the rules and principles of the Shari'ah have been avoided by spending them on charity.
4. The IsDB Group does not pay *Zakat* because the sources of its assets are either from public or *Waqf* funds or from institutions that have not delegated the IsDB Group any authority to pay *Zakat* on their behalf. The payment of *Zakat* is the sole responsibility of the owners.

We pray that Allah the Almighty enable the IsDB Group to follow the right path in the interest of the *Ummah*.

***Wassalamu alaikum warahmatullahi wabarakatuh***



**His Eminence Sheikh Muhammad Taqi Usmani**  
Chairman of the Shari'ah Board



**Aboubacar Salihou KANTE**  
Manager, Shari'ah Compliance Section



Jeddah, 14 Ramadan 1443H (15 April 2022)

### MANAGEMENT'S REPORT ON INTERNAL CONTROLS OVER FINANCIAL REPORTING

The Management of the Islamic Development Bank – Ordinary Capital Resources (“the Bank” or “IsDB”) is responsible for establishing and maintaining adequate internal controls over financial reporting (“ICFR”). The Bank’s internal controls over financial reporting assessment, is a process designed to provide reasonable assurance regarding the reliability of financial reporting; and the preparation of the Bank’s financial statements for external reporting purposes, in accordance with the financial reporting framework. ICFR also includes our disclosure controls and procedures designed to prevent misstatements.

Those charged with Governance i.e. the Board of Executive Directors (“BED”) are responsible for overseeing the process of implementing and maintaining effective internal control over financial reporting.

- The Bank has conducted an evaluation of the design, implementation and operating effectiveness of the internal controls over financial reporting as of December 31, 2021, based on the criteria established in Internal Control – Integrated Framework (2013), issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”).

The Bank’s auditor, Deloitte and Touche & Co. – Chartered Accountants, an independent accounting firm, is issuing a reasonable assurance report on our assessment of ICFR.

#### RISKS IN FINANCIAL REPORTING

The main risks in financial reporting are that either the financial statements are not presented fairly due to inadvertent or intentional errors or the publication of financial statements is not done on a timely basis. A lack of fair presentation arises when one or more financial statement accounts or disclosures contain misstatements (or omissions) that are material. Misstatements are deemed material if they could, individually or collectively, influence economic decisions that users’ make on the basis of the financial statements.

To respond to those risks of financial reporting, the Bank has established ICFR with the aim of providing reasonable but not absolute assurance against material misstatements. We have also assessed the design, implementation and operating effectiveness of the Bank’s ICFR based on the criteria established in Internal Control Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). COSO recommends the establishment of specific objectives to facilitate the design and evaluation of the adequacy of a system of internal control. As a result, in establishing ICFR, the Management has responded to the following financial statement assertions:

- Existence / Occurrence - assets and liabilities exist and transactions have occurred;
- Completeness - all transactions are recorded, account balances are included in the financial statements;
- Valuation / Measurement - assets, liabilities and transactions are recorded in the financial reports at the appropriate amounts;
- Rights and Obligations and ownership - rights and obligations are appropriately recorded as assets and liabilities; and
- Presentation and disclosures - classification, disclosure and presentation of financial reporting is appropriate.

However, any internal control system, including ICFR, no matter how well designed and operated, can provide only reasonable, but not absolute assurance that the objectives of that control system are met. As such, disclosure controls and procedures or systems for ICFR may not prevent all errors and fraud. Furthermore, the design of a control system must reflect the fact of reasonable resources, and the benefits of controls must be considered relative to their costs.

## ORGANIZATION OF THE BANK'S INTERNAL CONTROL SYSTEM

Functions involved in the System of Internal Control over Financial Reporting:

The BED of the Bank has established the Audit Committee to assist the BED, among other things, in its oversight responsibility for the soundness of the accounting policies and practices and the effectiveness of internal controls of the Bank which comprised of selected members of the BED, assist the BED in fulfilling its oversight responsibilities regarding the financial statements and reporting process at IsDB OCR, the internal and external audit procedures and key findings. Audit Committee of the BED meets periodically with management to review and monitor matters of financial, accounting or auditing significance. The external auditors and the internal auditors regularly meet with the Audit committee of the BED to discuss the adequacy of the internal controls over financial reporting and any other matter that may require Audit Committee of the BED's attention.

Controls within the system of ICFR are performed by all business and support functions with an involvement in reviewing the reliability of the books and records that underlie the financial statements. As a result, the operation of ICFR involves staff based in various functions across the organization.

Controls to minimize the Risks of Financial Reporting Misstatement:

The system of ICFR consists of a large number of internal controls and procedures aimed at minimizing the risk of misstatement of the financial statements. Such controls are integrated into the operating process and include those which:

- are ongoing or permanent in nature such as supervision within written policies and procedures or segregation of duties;
- operate on a periodic basis such as those which are performed as part of the annual financial statement preparation process;
- are preventative or detective in nature;
- have a direct or indirect impact on the financial statements themselves. Controls which have an indirect effect on the financial statements include entity level controls and Information Technology general controls such as system access and deployment controls whereas a control with a direct impact could be, for example, a reconciliation which directly supports a balance sheet line item; and
- feature automated and/or manual components. Automated controls are control functions embedded within system processes such as application enforced segregation of duty controls and interface checks over the completeness and accuracy of inputs. Manual internal controls are those operated by an individual or group of individuals such as authorization of transactions.

## ANNEX 2A COSO MANAGEMENT REPORT

(Continued)

### MEASURING DESIGN, IMPLEMENTATION AND OPERATING EFFECTIVENESS OF INTERNAL CONTROL

For the financial year 2021, the Bank has undertaken a formal evaluation of the adequacy of the design, implementation and operating effectiveness of the system of ICFR considering:

- The risk of misstatement of the financial statement line items, considering such factors as materiality and the susceptibility of the financial statement item to misstatement; and
- The susceptibility of identified controls to failure, considering such factors as the degree of automation, complexity, and risk of management override, competence of personnel and the level of judgment required.

These factors, in aggregate, determine the nature, timing and extent of evidence that the management requires in order to assess whether the design, implementation and operating effectiveness of the system of ICFR is effective. The evidence itself is generated from procedures integrated within the daily responsibilities of staff or from procedures implemented specifically for purposes of the ICFR evaluation. Information from other sources also form an important component of the evaluation since such evidence may either bring additional control issues to the attention of the Management or may corroborate findings.

### CONCLUSION

The evaluation has included an assessment of the design, implementation, and operating effectiveness of controls within various processes including, Treasury assets, Project assets, Investments and Related incomes as well as Liabilities and Financing costs, Operating expenses and Payroll and related employee benefits. The evaluation also included an assessment of the design, implementation, and operating effectiveness of Entity Level Controls, Information Technology General and Application Controls, and Disclosure Controls. As a result of the assessment of the design, implementation, and operating effectiveness of ICFR, the management did not identify any material weaknesses, and concluded that ICFR is appropriately designed, implemented, and operated effectively as of December 31, 2021.



**Dr. Muhammad Al Jasser**  
President, Islamic Development Bank



**Dr. Zamir Iqbal**  
Vice President Finance & CFO

## ANNEX 2B COSO AUDITORS REPORT

### INDEPENDENT REASONABLE ASSURANCE REPORT ON THE REPORT ON THE DESIGN, IMPLEMENTATION AND OPERATING EFFECTIVENESS OF INTERNAL CONTROL OVER FINANCIAL REPORTING.

To: Your Excellencies the Chairman and the Member of the Board of Governors  
Islamic Development Bank – Ordinary Capital Resources  
Jeddah  
Kingdom of Saudi Arabia

#### SCOPE

We have been engaged by the Islamic Development Bank Ordinary Capital Resources (“the Bank” or “IsDB”) to carry out a reasonable assurance engagement over The Report on the evaluation of Design, Implementation and Operating Effectiveness of Internal Control over Financial Reporting (the ‘Management ‘ICFR Report’ ) as of December 31, 2021.

#### RESPONSIBILITIES OF THE MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE

The Management of IsDB is responsible for implementing and maintaining effective internal control over financial reporting. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates and judgements that are reasonable in the circumstances.

Those Charged with Governance i.e. the Board of Executive Directors are responsible for overseeing the process of implementing and maintaining effective internal control over financial reporting.

The Bank has assessed the design, implementation and operating effectiveness of its internal control system as of December 31, 2021, based on the criteria established in the Internal Control - Integrated Framework 2013 issued by the Committee of Sponsoring Organizations of the Treadway Commission (the “COSO Framework”).

The Bank’s assessment of its internal control system as presented by Management to the Board of Executive Directors and Board of Governors in the form of the ICFR Report, which includes:

- A description of the controls in place within the Components of Internal Control as defined by the COSO Framework;
- A description of the scope covering material business processes and entities in the assessment of Internal Control over Financial Reporting;
- A description of control objectives;
- Identification of the risks that threaten the achievement of the control objectives;
- An assessment of the design, implementation and operating effectiveness of Internal Control over Financial Reporting; and An assessment of the severity of design, implementation and operating effectiveness of control deficiencies, if any noted, and not remediated as of December 31, 2021.

#### OUR RESPONSIBILITIES

Our responsibility is to express a reasonable assurance opinion on the fairness of the presentation of the “ICFR Report” presented in Annex 2a of the Annual Report, based on the criteria established in the COSO Framework, including its conclusion on the effectiveness of design, implementation and operating effectiveness of Internal Control over Financial Reporting as of December 31, 2021.

We conducted our engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) ‘Assurance Engagements other Than Audits or Reviews of Historical Financial Information’ issued by the International Auditing and Assurance Standards Board (‘IAASB’). “This standard requires that we plan and perform our procedures

## **ANNEX 2B** COSO AUDITORS REPORT (Continued)

to obtain reasonable assurance about whether the ICFR Report is fairly presented. The COSO Framework comprises the criteria by which the Group's Internal Control over Financial Reporting is to be evaluated for purposes of our reasonable assurance opinion.

An assurance engagement to issue a reasonable assurance opinion on the Management's ICFR Report involves performing procedures to obtain evidence about the fairness of the presentation of the Report. Our procedures on the Management's ICFR Report included:

- Obtaining an understanding of the Bank's components of internal control as defined by the COSO Framework and comparing this to the Report;
- Obtaining an understanding of the Bank's scoping of significant processes and material entities, and comparing this to the Report;
- Performing a risk assessment for all material Account Balances, Classes of Transactions and Disclosures within the Bank for significant processes and material entities and comparing this to the Report;
- Obtaining management's testing of the design, implementation and operating effectiveness of internal control over financial reporting, and evaluating the sufficiency of the test procedures performed by management and the accuracy of management's conclusions reached for each internal control tested;
- Independently testing the design, implementation and operating effectiveness of internal controls that address significant risks of material misstatement and reperforming a proportion of management's testing for normal risks of material misstatement. Assessing the severity of deficiencies in internal control which are not remediated as of December 31, 2021 and comparing this to the assessment included in the Report, as applicable.

The components of internal control as defined by the COSO Framework are Control Environment, Risk Assessment, Control Activities, Information and Communication, and Monitoring.

We performed procedures to conclude on the risk of material misstatement within significant processes considering the nature and value of the relevant account balance, class of transaction or disclosure.

A process is considered significant if a misstatement due to fraud or error in the stream of transactions or financial statement amount would reasonably be expected to affect the decisions of the users of financial statements. For the purpose of this engagement, the processes that were determined as significant are: Entity level controls, Treasury assets, Project assets, Investments and Related incomes as well as Liabilities and Financing costs, Operating expenses and Payroll and related employee benefits, Financial reporting and disclosures and Information Technology Controls.

The procedures to test the design, implementation and operating effectiveness of internal control depend on our judgement including the assessment of the risks of material misstatement identified and involve a combination of inquiry, observation, reperformance and inspection of evidence.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion on the fairness of the presentation of the ICFR Report.

### **MEANING OF INTERNAL CONTROL OVER FINANCIAL REPORTING**

An entity's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with financial reporting framework. An entity's internal control over financial reporting includes those policies and procedures that:

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the entity;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with the generally accepted accounting principles, and that receipts and expenditures of the entity are being made only in accordance with authorizations of the management of the entity; and

3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the entity's assets that could have a material effect on the financial statements, which would reasonably be expected to impact the decisions of the users of financial statements.

### INHERENT LIMITATIONS

Because of the inherent limitations of Internal Control over Financial Reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Therefore, Internal Control over Financial Reporting may not prevent or detect all errors or omissions in processing or reporting transactions and consequently cannot provide absolute assurance that the control objectives will be met.

In addition, projections of any evaluation of the Internal Control over Financial Reporting to future periods are subject to the risk that the internal control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### OUR INDEPENDENCE AND QUALITY CONTROL

In carrying out our work, we have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

The firm applies International standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### OPINION

In our opinion the Management's ICFR Report in Annex 2a of the Annual Report, is fairly stated, in all material respects, based on the criteria established in the COSO Framework, including its conclusion on the effectiveness of design, implementation and operating effectiveness of Internal Control over Financial Reporting as of December 31, 2021.

### EMPHASIS OF MATTER

We draw attention to the following points which are not material weaknesses but areas of improvement which require management attention:

- A formal succession planning framework is fundamental to enable continuity of operations at the Bank.
- Assignment of clear roles and responsibilities towards fraud risk management from ownership and oversight perspectives.

# Deloitte.

Deloitte and Touche & Co  
Certified Public Accountants



**Waleed Bin Moha'd. Sobahi**  
Certified Public Accountant  
License No. 378  
14 Shawwal 1443H  
May 15, 2022



# **ANNEX 3** ISLAMIC DEVELOPMENT BANK – ORDINARY CAPITAL RESOURCES FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

## INDEPENDENT AUDITOR'S REPORT

To: Your Excellencies the Chairman and Members of the Board of Governors  
Islamic Development Bank – Ordinary Capital Resources  
Jeddah  
Kingdom of Saudi Arabia

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### OPINION

We have audited the accompanying financial statements of Islamic Development Bank – Ordinary Capital Resources (the "Bank"), which comprise the statement of financial position as at 31 December 2021, and the related income statement, statement of changes in members' equity and statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Bank as at 31 December 2021, and the results of the operations, its cash flows and changes in members' equity for the year then ended in accordance with the Financial Accounting Standards issued by the Accounting and Auditing Organisation for Islamic Financial Institutions (AAOIFI).

In our opinion, the Bank has also complied with the Shari'ah Rules and Principles as determined by the Group Shari'ah Board of the Bank during the year under audit.

#### BASIS FOR OPINION

We conducted our audit in accordance with Auditing Standards for Islamic Financial Institutions issued by AAOIFI and International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Bank in accordance with the AAOIFI's Code of Ethics for Accountants and Auditors of Islamic Financial Institutions (AAOIFI Code), International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements as prevailing in the local jurisdiction, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the AAOIFI and IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended 31 December 2021. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's Responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.



KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
<p><b>EXPECTED CREDIT LOSS ALLOWANCE AGAINST PROJECT ASSETS</b></p> <p>As at 31 December 2021, the Bank's project assets amounted to ID 16.28 billion (2020: ID 15.5 billion) representing 62.49% of total assets. The Expected Credit Loss (ECL) allowance was ID 399.7 million as of this date.</p> <p>The audit of impairment allowances for project assets is a key area of focus because of its size and due to the significance of the estimates and judgments used in classifying</p> <p>intoproject assets various stages, determining allowance related requirements, and the complexity of the judgements, assumptions and estimates used in the ECL models.</p> <p>The Bank recognizes allowances for ECL at an amount equal to 12-month ECL (Stage 1) or full lifetime ECL (Stage 2). A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition.</p> <p>ECLs are a probability-weighted estimate of the present value of credit losses. These are measured as the present value of the difference between the cash flows due to the Bank under the contract and the cash flows that the Bank expects to receive arising from the weighting of multiple future economic scenarios, discounted at the asset's effective profit rate. The Bank employs statistical models for ECL calculations and the key variables used in these calculations are probability of default (PD), loss given default (LGD); and exposure at default (EAD), which are defined in Note 3 to the financial statements.</p> <p>The material portion of the project assets is assessed individually for the significant increase in credit risk (SICR) and measurement of ECL. This requires management to capture all qualitative and quantitative reasonable and supportable forward-looking information while assessing SICR, or while assessing credit-impaired criteria for the exposure. Management judgement may also be involved in manual staging override as per the Bank's policies.</p>	<ol style="list-style-type: none"> <li>1. We have obtained an understanding of the project assets business process, the credit risk management process, the policy for impairment and credit losses and the estimation process of determining impairment allowances for project assets to counter parties and the ECL modelling methodology and evaluated the design and implementation of relevant controls within these processes.</li> <li>2. We assessed and evaluated the design and implementation of automated and / or manual controls over: <ul style="list-style-type: none"> <li>● approval, accuracy and completeness of impairment allowances and governance controls over the monitoring of the model, through key management and committee meetings that form part of the approval process for project asset impairment allowances;</li> <li>● model outputs; and</li> <li>● the recognition and measurement of impairment allowances</li> </ul> </li> <li>3. On a sample basis, we selected project assets and assessed and evaluated: <ul style="list-style-type: none"> <li>● the Banks's identification of SICR (Stage 2), the assessment of credit-impaired classification (Stage 3) and whether relevant impairment events had been identified in a timely manner and classification of project assets into various stages and the determination of defaults / individually impaired exposures.</li> <li>● the forward-looking information incorporated into the impairment calculations by involving our specialists to challenge the multiple economic scenarios chosen and related weighting applied.</li> <li>● the assumptions underlying the impairment allowance calculation, such as estimated future cash flows and estimates of recovery period.</li> </ul> </li> </ol>

## ANNEX 3 ISLAMIC DEVELOPMENT BANK – ORDINARY CAPITAL RESOURCES FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

(Continued)

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
<p>The measurement of ECL amounts for project assets classified as Stage 1 and Stage 2 are carried out by the ECL models with limited manual intervention, however, it is important that models (PD, LGD, EAD and macroeconomic adjustments) are valid throughout the reporting period and are subject to a review process by an independent third party expert. For the impaired project assets Bank maintains estimates on the resumption of repayments from the counterparties and bases its ECL provisioning on the difference between net present value of the original repayment cashflows and net present value of the managements estimates of the revised cashflows.</p> <p>The impact of the Covid-19 pandemic and the resulting economic support and relief measurement programmes of governments and central banks have been incorporated in the Bank's measurement of ECL, if any. The Group has updated its macro-economic forecasts and has applied portfolio-level ECL adjustments, where applicable.</p> <p>This was considered as a key audit matter and the audit was focused on this matter due to the materiality of the project assets and the complexity of the judgements, assumptions and estimates used in the ECL models especially in light of the uncertain outlook caused by the impact of the Covid-19 pandemic on the sovereign exposures.</p> <p>Refer to Note 3 to the financial statements for the accounting policy for the impairment of financial assets, Note 14 for the disclosure of impairment and note 31 for credit risk disclosure and the key assumptions and factors considered in determination of ECL.</p>	<ul style="list-style-type: none"> <li>● the calculation methodology and traced a sample back to source data.</li> <li>● the post model adjustments and management overlays (if any) in order to assess the reasonableness of these adjustments and assessed the qualitative factors which were considered by the Bank to recognize any post model adjustments, in case of data or model limitations. Where such post model adjustments were applied, we assessed those post model adjustments and the governance process around them.</li> </ul> <ol style="list-style-type: none"> <li>4. We tested models used in the credit impairment process and verified the integrity of data used as input to the impairment models.</li> <li>5. The Bank performed an external validation of the ECL model and LGD models including macro-economic model during the reporting period. We considered the process of this external validation of the models and its impact on the results of the impairment estimate. Finally, we updated our assessment of the methodology and framework designed and implemented by the Bank as to whether the impairment models outcomes and stage allocations appear reasonable and reflective of the forecasts used by the Bank to determine future economic conditions at the reporting date.</li> <li>6. Where relevant, we involved our specialists to assist us in reviewing model calculations, evaluating related inputs and assessing reasonableness of assumptions used in ECL model particularly around macroeconomic variables, forecasted macroeconomic scenarios and probability weights and of assumptions used in post model adjustments (if any) as mentioned above.</li> <li>7. We assessed the adequacy of disclosures in the financial statements against the requirements of the Financial Accounting Standards issued by AAOIFI.</li> </ol>

**OTHER INFORMATION INCLUDED IN THE BANK'S 2021 ANNUAL REPORT**

Other information consists of the information included in the Bank's 2021 Annual Report, other than the financial statements and our auditor's report thereon. Management is responsible for the other information. The Bank's 2021 Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

**OTHER MATTER**

The financial statements of the Bank for the year ended 31 December 2020 were audited by another auditor who expressed an unmodified opinion on those statements on July 6, 2021.

**RESPONSIBILITIES OF THE MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS**

These financial statements and the Bank's undertaking to operate in accordance with Shari'ah Rules and Principles are the responsibility of the Bank's management and those charged with governance.

The management is responsible for the preparation and fair presentation of the financial statements in accordance with Financial Accounting Standards issued by AAOIFI and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank's financial reporting process.

## **ANNEX 3 ISLAMIC DEVELOPMENT BANK – ORDINARY CAPITAL RESOURCES FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2021**

(Continued)

### **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Auditing Standards for Islamic Financial Institutions issued by AAOIFI and ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Auditing Standards for Islamic Financial Institutions issued by AAOIFI and ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of managements' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and those are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

# Deloitte.

Deloitte and Touche & Co.  
Certified Public Accountants



**Waleed Bin Moha'd. Sobahi**  
Certified Public Accountant  
License No. 378  
14 Shawwal, 1443  
May 15, 2022



## ANNEX 3 ISLAMIC DEVELOPMENT BANK - ORDINARY CAPITAL RESOURCES STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

(All amounts in thousands of Islamic Dinars unless otherwise stated)

	Notes	31 December 2021	31 December 2020
Cash and cash equivalents	4	236,583	363,923
Commodity murabaha placements	5	5,528,102	5,320,823
Sukuk investments	6	2,219,216	1,466,183
Murabaha financing	7	253,421	325,892
<b>Treasury assets</b>		<b>8,237,322</b>	<b>7,476,821</b>
Istisna'a assets	9	8,388,859	7,955,365
Restricted mudaraba	10	656,238	732,834
Instalment sale	11	2,454,022	2,225,787
Ijarah assets	12	2,985,534	2,826,878
Loans (Qard)	13	1,794,183	1,779,003
<b>Project assets</b>		<b>16,278,836</b>	<b>15,519,867</b>
Equity investments	15	542,798	454,723
Investment in associates	16	742,856	728,904
Other investments		73,090	55,394
<b>Investment assets</b>		<b>1,358,744</b>	<b>1,239,021</b>
Property, equipment and intangibles		57,082	53,754
Other assets	17	94,690	132,474
<b>Total assets</b>		<b>26,026,674</b>	<b>24,421,937</b>
<b>Liabilities</b>			
Sukuk issued	18	15,564,787	14,307,777
Commodity murabaha liabilities	19	277,176	308,962
Wakala (Due to)	21	-	347,221
Other liabilities	20	640,257	343,416
<b>Total Liabilities</b>		<b>16,482,220</b>	<b>15,307,376</b>
<b>Members' Equity</b>			
Paid-up capital	23	6,177,086	5,940,601
Reserves	24	3,260,435	3,057,744
Net income for the year		106,933	116,216
<b>Total Members' Equity</b>		<b>9,544,454</b>	<b>9,114,561</b>
<b>Total Liabilities and Members' Equity</b>		<b>26,026,674</b>	<b>24,421,937</b>
<b>Restricted Investment Accounts</b>	29	78,502	78,190

Notes 1 to 34 form an integral part of these financial statements.

The notes could be obtained in the Full financial Statements Report, and at the website <https://www.isdb.org/publications/annual-report-2021>

## ANNEX 3 ISLAMIC DEVELOPMENT BANK - ORDINARY CAPITAL RESOURCES INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021

(All amounts in thousands of Islamic Dinars unless otherwise stated)

	Notes	For the year ended 31 Dec 2021	For the year ended 31 Dec 2020
<b>Income / (loss) from:</b>			
Commodity murabaha placements		43,022	71,666
Sukuk investments	6	50,539	57,587
Murabaha financing		8,883	10,752
<b>Treasury assets</b>		<b>102,444</b>	<b>140,005</b>
Istisna'a assets		253,629	260,822
Restricted mudaraba		17,827	25,160
Instalment sale		73,402	71,097
Ijarah assets, net of depreciation of assets under Ijarah	12.4	63,026	68,346
Loans (Qard)		9,370	9,658
<b>Project assets</b>		<b>417,254</b>	<b>435,083</b>
Equity investments		20,396	8,148
Share of income from investment in associates	16	15,700	(10,560)
Other investments		1,229	1,173
<b>Investment assets</b>		<b>37,325</b>	<b>(1,239)</b>
Foreign exchange gains/(losses)		3,152	(1,253)
Swap hedging (losses)/gains	17	(688)	13,522
Other		4,034	6,661
<b>Other income</b>		<b>6,498</b>	<b>18,930</b>
<b>Total income</b>		<b>563,521</b>	<b>592,779</b>
Financing costs	18, 19, 20, 21	(265,574)	(277,702)
Impairment charge	14	(29,197)	(29,769)
<b>Net income before operating expenses</b>		<b>268,750</b>	<b>285,308</b>
Administrative expenses	25	(156,814)	(163,145)
Depreciation / amortization on property, equipment and intangibles		(5,003)	(5,947)
<b>Total operating expenses</b>		<b>(161,817)</b>	<b>(169,092)</b>
<b>Net income for the year</b>		<b>106,933</b>	<b>116,216</b>

Notes 1 to 34 form an integral part of these financial statements.

The notes could be obtained in the Full financial Statements Report, and at the website <https://www.isdb.org/publications/annual-report-2021>

## ANNEX 3 ISLAMIC DEVELOPMENT BANK - ORDINARY CAPITAL RESOURCES STATEMENT OF CHANGES IN MEMBERS' EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

(All amounts in thousands of Islamic Dinars unless otherwise stated)

	Notes	Paid-up capital	Reserves				Total reserves	Net income	Total members' equity
			General reserve	Fair value reserve	Pension and medical obligations	Other reserves			
<b>Balance at 1 January 2020</b>		<b>5,785,122</b>	2,949,657	325,662	(108,196)	(27,385)	3,139,738	140,395	9,065,255
Adjustment against allowance for credit losses – FAS 30 (Note 14)		-	(64,263)	-	-	-	(64,263)	-	(64,263)
<b>Revised balance as at 1 January 2020 after FAS 30 adjustment</b>		<b>5,785,122</b>	<b>2,885,394</b>	<b>325,662</b>	<b>(108,196)</b>	<b>(27,385)</b>	<b>3,075,475</b>	<b>140,395</b>	<b>9,000,992</b>
Increase in paid-up capital	23	155,479	-	-	-	-	-	-	155,479
Net changes in fair value of investments		-	-	(46,658)	-	-	(46,658)	-	(46,658)
Actuarial losses relating to retirement pension and medical plans	22	-	-	-	(45,169)	-	(45,169)	-	(45,169)
Hedge accounting reserve	17	-	-	-	-	(3,026)	(3,026)	-	(3,026)
Share in associates' reserve movement	16	-	(20,443)	-	-	(31,974)	(52,417)	-	(52,417)
Net income for the year		-	-	-	-	-	-	116,216	116,216
Transfer to general reserve	24	-	140,395	-	-	-	140,395	(140,395)	-
Allocation for grants	24	-	(10,856)	-	-	-	(10,856)	-	(10,856)
<b>Balance at 31 December 2020</b>		<b>5,940,601</b>	<b>2,994,490</b>	<b>279,004</b>	<b>(153,365)</b>	<b>(62,385)</b>	<b>3,057,744</b>	<b>116,216</b>	<b>9,114,561</b>
Increase in paid-up capital	23	236,485	-	-	-	-	-	-	236,485
Net changes in fair value of investments		-	-	103,337	-	-	103,337	-	103,337
Actuarial losses relating to retirement pension and medical plans	22	-	-	-	(6,983)	-	(6,983)	-	(6,983)
Hedge accounting reserve	17	-	(20,911)	-	-	4,191	(16,720)	-	(16,720)
Share in associates' reserve movements	16	-	-	-	-	22,056	22,056	-	22,056
Net income for the year		-	-	-	-	-	-	106,933	106,933
Transfer to general reserve	24	-	116,216	-	-	-	116,216	(116,216)	-
Allocation for grants	24	-	(15,215)	-	-	-	(15,215)	-	(15,215)
<b>Balance at 31 December 2021</b>		<b>6,177,086</b>	<b>3,074,580</b>	<b>382,341</b>	<b>(160,348)</b>	<b>(36,138)</b>	<b>3,260,435</b>	<b>106,933</b>	<b>9,544,454</b>

Notes 1 to 34 form an integral part of these financial statements.



## ANNEX 3 ISLAMIC DEVELOPMENT BANK - ORDINARY CAPITAL RESOURCES STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021

(All amounts in thousands of Islamic Dinars unless otherwise stated)

	Notes	For the year ended 31 Dec 2021	For the year ended 31 Dec 2020
<b>Cash flows from operations</b>			
Net income for the year		106,933	116,216
<b>Adjustments for non-cash items:</b>			
Depreciation / amortization		5,003	5,947
(Gain)/ loss from investment in associates	16	(15,700)	10,560
Allowance for credit losses against financial assets	14	29,197	29,769
Accrued income – Sukuk investments	6	(2,929)	1,112
Unrealized fair value losses / (gains) on sukuk	6	2,587	(5,154)
Amortization of other income		(567)	(567)
Foreign exchange (gains)/ losses		(3,152)	1,253
(Gain)/ on disposal of investment in equity capital		(6,469)	3,928
<b>Operating income before changes in operating assets and liabilities</b>		<b>114,903</b>	<b>163,064</b>
<b>Changes in operating assets and liabilities:</b>			
Istisna'a assets		(438,510)	(703,639)
Restricted mudaraba		96,375	83,683
Instalment sale		(221,663)	(350,049)
Ijarah assets		(118,093)	(67,330)
Loans (Qard)		(12,922)	18,366
Other assets		22,383	(59,238)
Other liabilities		25,757	(50,339)
Commodity murabaha placements		(74,619)	(1,050,771)
Murabaha financing		76,575	11,517
<b>Net cash used in operating activities</b>		<b>(529,814)</b>	<b>(2,004,736)</b>
<b>Cash flows from investing activities</b>			
Acquisition of sukuk investments	6	(815,145)	(165,401)
Proceeds from disposal/redemption of sukuk investments	6	117,372	368,305
Acquisition of equity investments	15	(17,393)	-
Proceeds from disposal of equity and other investments		24,129	34,734
Acquisition of other investments		(18,471)	(12,852)
Acquisition/increase in share of associate	16	(4,553)	(48,618)
Dividends from associates	16	2,298	577
Proceeds from capital repayment/disposal of investment in associates	16	15,973	2,947
Additions to property, equipment and intangibles		(8,331)	(6,237)
<b>Net cash (used in) / generated from investing activities</b>		<b>(704,121)</b>	<b>173,455</b>
Increase in paid-up capital		236,485	155,479
Allocation for grants	24	(15,215)	(10,856)
Proceeds from issuance of sukuk		3,365,023	3,991,039
Redemption of sukuk		(2,354,890)	(1,491,011)
Commodity murabaha liabilities		(21,434)	(1,308,676)
Redemption of Wakala (Due to)		(97,204)	(86)
<b>Net cash from financing activities</b>		<b>1,112,765</b>	<b>1,335,889</b>
Net change in cash and cash equivalents		(121,170)	(495,392)
Exchange difference on cash and cash equivalents		(5,671)	5,141
Impairment provision – cash and cash equivalents		(499)	-
Cash and cash equivalents at the beginning of the year		363,923	854,174
<b>Cash and cash equivalents at the end of the year</b>		<b>236,583</b>	<b>363,923</b>

Notes 1 to 34 form an integral part of these financial statements.

# ANNEX 4 ISLAMIC DEVELOPMENT BANK - SPECIAL ACCOUNT RESOURCES (WAQF FUND) FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

## INDEPENDENT AUDITOR'S REPORT

Your Excellencies the Chairman and Members of the Board of Governors

Islamic Development Bank - Special Account Resources Waqf Fund

Jeddah

Kingdom of Saudi Arabia

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### OPINION

We have audited the accompanying financial statements of Islamic Development Bank - Special Account Resources Waqf Fund (the "Fund") which comprise the statement of financial position as of December 31, 2021, and the related statement of activities and changes in net assets and the statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as of December 31, 2021, and the results of its activities and changes in net assets and its cash flows for the year then ended in accordance with the Financial Accounting Standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions ("AAOIFI").

In our opinion, the Fund has also complied with the Shari'ah Rules and Principles as determined by the Group Shari'ah Board of the Islamic Development Bank Group during the period under audit.

#### BASIS FOR OPINION

We conducted our audit in accordance with Auditing Standards for Islamic Financial Institutions issued by AAOIFI. Our responsibilities under those standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Fund in accordance with the AAOIFI's Code of Ethics for Accountants and Auditors of Islamic Financial Institutions ("AAOIFI Code"), and we have fulfilled our other ethical responsibilities in accordance with the AAOIFI Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### OTHER MATTER

The financial statements of the Fund for the year ended December 31, 2020 were audited by another auditor who expressed an unmodified opinion on those statements on May 30, 2021.

### RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

These financial statements and the Fund's undertaking to operate in accordance with Shari'ah Rules and Principles are the responsibility of the Fund's management and those charged with governance.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Financial Accounting Standards issued by AAOIFI and for such internal control as the Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Auditing Standards for Islamic Financial Institutions issued by AAOIFI will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Auditing Standards for Islamic Financial Institutions issued by AAOIFI, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company's investments to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for an audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

# Deloitte.

Deloitte and Touche & Co.  
Certified Public Accountants



**Waleed Bin Moha'd. Sobahi**  
Certified Public Accountant  
License No. 378  
13 Shawwal 1443H  
May 14, 2022



## ANNEX 4 ISLAMIC DEVELOPMENT BANK - SPECIAL ACCOUNT RESOURCES (WAQF FUND) STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

(All amounts in thousands of US Dollars unless otherwise stated)

	Notes	31 December 2021	31 December 2020
<b>Assets</b>			
Cash and cash equivalents	5	57,455	105,951
Commodity murabaha placements	6	197,642	240,521
Investments in sukuk	7	88,408	91,146
Murabaha financing	8	1,209	2,651
<b>Treasury assets</b>		<b>344,714</b>	<b>440,269</b>
Installment sale	9	3,430	5,276
Syndicated Ijarah	10	2,947	2,983
Loans (Qard)	11	160,509	178,331
<b>Project assets</b>		<b>166,886</b>	<b>186,590</b>
Equity investments	12	18,722	27,119
Investment in funds	13	60,170	68,644
Investment in associates	14	165,882	154,522
Managed Investment	15	65,981	-
<b>Investment assets</b>		<b>310,755</b>	<b>250,285</b>
Other assets	16	14,111	14,115
Fixed assets		22,768	24,321
<b>Total assets</b>		<b>859,234</b>	<b>915,580</b>

	Notes	31 December 2021	31 December 2020
<b>Liabilities</b>			
Accruals and other liabilities	17	86,797	96,317
<b>Total liabilities</b>		<b>86,797</b>	<b>96,317</b>

	Notes	31 December 2021	31 December 2020
<b>Net assets</b>		<b>772,437</b>	<b>819,263</b>
<b>Represented by:</b>			
Waqf Fund principal amount		1,069,518	1,069,852
Special assistance programs		(457,590)	(428,920)
Special account for Least Developed Member Countries (LDMC)		160,509	178,331
<b>Total funds</b>		<b>772,437</b>	<b>819,263</b>

The accompanying notes from 1 to 33 form an integral part of these financial statements.

The notes could be obtained in the Full financial Statements Report, and at the website <https://www.isdb.org/publications/annual-report-2021>

## ANNEX 4 ISLAMIC DEVELOPMENT BANK - SPECIAL ACCOUNT RESOURCES (Waqf Fund) STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS YEAR ENDED 31 DECEMBER 2021

(All amounts in thousands of US Dollars unless otherwise stated)

	Notes	2021				2020
		Waqf Fund principal amount	Special assistance programs	Special account for LDMC	Total	Total
<b>STATEMENT OF ACTIVITIES</b>						
<b>Income/(loss) from:</b>						
<b>Treasury assets</b>						
Commodity murabaha placements					1,651	4,716
Investments in sukuk	7				3,393	4,365
<b>Project assets</b>						
Syndicated ijarah					-	24
<b>Investment assets</b>						
Investment in funds					2,719	1,291
Associates					6,537	1,509
Managed investment					2,350	-
Other					2,788	2,805
					<b>19,438</b>	14,710
Foreign exchange (losses)/ gains					(4,231)	2,531
<b>Income before impairment charge</b>					<b>15,207</b>	17,241
Impairment charge	19				(7,684)	(9,370)
<b>Attributable net income</b>		-	-	-	<b>7,523</b>	7,871
Allocation of attributable net income	1	1,505	6,018	-	-	-
Donations received	20	-	290	-	290	-
Islamic Technical Financial Assistance Grant from IsDB-OCR		-	1,077	-	1,077	2,174
Non-Shari'ah income transferred from IsDB-OCR		32	129	-	161	426
Contributions from IsDB-OCR for technical assistance grants and scholarship program	20	-	21,654	-	21,654	14,894
<b>Income before grants and program expenses</b>		<b>1,537</b>	<b>29,168</b>	-	<b>30,705</b>	25,365
Grants for causes	21	-	(20,383)	-	(20,383)	(28,055)
Program expenses	21	-	(25,447)	-	(25,447)	(20,706)
<b>Net (deficit)/surplus for the year</b>		<b>1,537</b>	<b>(16,662)</b>	-	<b>(15,125)</b>	(23,396)
<b>CHANGES IN NET ASSETS</b>						
Net assets at 1 January 2021		1,069,852	(428,920)	178,331	819,263	865,083
Adjustment against credit losses -FAS-30 (Note 18)		(659)	(2,634)	-	(3,293)	-
Revised balance as at 1 January 2021 after FAS-30 adjustment		1,069,193	(431,554)	178,331	815,970	865,083
Net surplus/(deficit) for the year		1,537	(16,662)	-	(15,125)	(23,396)
Retirement pension plan liability		-	(22,350)	-	(22,350)	(6,088)
Fair value and other reserves		(1,212)	(4,846)	-	(6,058)	(16,336)
Reallocation from Special Account for LMDC to Special Assistance Programs Fund		-	17,822	(17,822)	-	-
<b>Net assets at 31 December 2021</b>		<b>1,069,518</b>	<b>(457,590)</b>	<b>160,509</b>	<b>772,437</b>	<b>819,263</b>

The accompanying notes from 1 to 33 form an integral part of these financial statements.

The notes could be obtained in the Full financial Statements Report, and at the website <https://www.isdb.org/publications/annual-report-2021>

# ANNEX 4 ISLAMIC DEVELOPMENT BANK - SPECIAL ACCOUNT RESOURCES (WAQF FUND)

## STATEMENT OF CASH FLOWS

### YEAR ENDED 31 DECEMBER 2021

(All amounts in thousands of US Dollars unless otherwise stated)

	Notes	2021	2020
<b>Cash flows from operations</b>			
Net deficit for the year		(15,125)	(23,396)
<b>Adjustments to reconcile net deficit to net cash used in operating activities</b>			
Depreciation		1,601	1,569
Provision for impairment	19	7,684	9,370
Share of gain/(loss) in associates, net		(7,114)	2,345
Loss/(gain) on deemed disposal of associates		577	(338)
Service cost on pension and medical obligation	18	3,665	3,343
Foreign exchange		(6,781)	(5,580)
<b>Change in operating assets and liabilities</b>			
Murabaha financing		-	1,820
Installment sale		(56)	(15)
Syndicated Ijarah		-	(93)
Loans (Qard)		16,732	2,254
Other assets		4	5,847
Accruals and other liabilities		(33,607)	38,854
<b>Cash (utilized in)/from operations</b>		<b>(32,420)</b>	<b>35,980</b>
Pension and medical obligation paid		(1,054)	(1,024)
<b>Net cash (utilized in)/from operations</b>		<b>(33,474)</b>	<b>34,956</b>
<b>Cash flows from investing activities</b>			
Net movement in commodity placements		42,672	(2,995)
Redemption of investments in sukuk	7	2,680	9,337
Additions to equity investments	12	-	(1,285)
Additions to investments in funds	13	(441)	(36)
Disposal of investments in funds	13	5,095	2,263
Additions to managed investments	15	(65,981)	-
Addition to fixed assets		(48)	-
Dividends from associates	14	1,001	1,080
<b>Net (utilized in)/ cash from investing activities</b>		<b>(15,022)</b>	<b>8,364</b>
<b>Net change in cash and cash equivalents</b>		<b>(48,496)</b>	<b>43,320</b>
Cash and cash equivalents at 1 January		105,951	62,631
<b>Cash and cash equivalents at 31 December</b>	5	<b>57,455</b>	<b>105,951</b>

The accompanying notes from 1 to 33 form an integral part of these financial statements.

## ANNEX 5 IsDB BED AND THEIR CONSTITUENCIES

Name	Country of Nationality	Representing Countries
Hon. Hamed Arabi Elhouderi	Libya	Libya
Hon. Şakir Ercan Gül,	Turkey	Turkey
Hon. Abbas Memar Nejad	Iran	Iran
Hon. Abdul Ghaffar Al-Awadhi	Kuwait	Kuwait
H.E. Dr. Hamad Sulaiman Al Bazai	Saudi Arabia	Saudi Arabia
Hon. Dr. Nada Massoud	Egypt	Egypt
Hon. Khalaf Sultan Al Dhaheri	United Arab Emirates	United Arab Emirates
Hon. Bader Ahmed Al-Emadi	State of Qatar	State of Qatar
Hon. Dr. Mahmoud ISA-DUTSE, PhD, FCIB	Nigeria	Nigeria
Hon. Eric Mbaihasra	Chad	Uganda, Chad, Gabon, Djibouti, Comoros, Mozambique, Somalia
Hon. Khalifa SARR	Senegal	Burkina Faso, Togo, The Gambia, Senegal, Mali, Niger
Hon. Issa JANDI	Guinea Bissau	Benin, Guinea, Guinea Bissau, Sierra Leone, Cameroon, Cote d'Ivoire
Hon. Laaziz Faid	Algeria	Tunisia, Algeria, Morocco, Mauritania
Hon. Dr. Ammar Hamad Khalaf Ibrahim	Iraq	Jordan, Syria, Iraq, Palestine, Lebanon
Hon. Hassan Jaafar Abdulrahman	Sudan	Bahrain, Sudan, Oman, Yemen
Hon. Mian Asad Hayaud Din	Pakistan	Afghanistan, Pakistan, Bangladesh, The Maldives
Hon. Mrs. Anuska Ramdhani	Suriname	Indonesia, Brunei Darussalam, Suriname, Malaysia, Guyana
Hon. Tamerlan Taghiyev	Azerbaijan	Azerbaijan, Albania, Uzbekistan, Turkmenistan, Tajikistan, Kazakhstan, Kyrgyz Republic

# ANNEX 6A STATEMENT OF ISDB SHARE CAPITAL SUBSCRIPTION AS OF 31 DECEMBER 2021

Country	Consolidated Position of Subscribed Share Capital							
	No of shares	Amount in Million ID			% of Total	Amount in Million ID		
		Called-up	Callable	Callable		Paid up	Overdue/Shortfall	Not yet due
Saudi Arabia	1,189,680	2,135.850	9,760.950	11,896.800	23.50%	1,526.872	0.000	608.978
Libya	477,166	856.660	3,915.000	4,771.660	9.43%	462.579	140.786	253.295
Iran	417,463	749.480	3,425.150	4,174.630	8.25%	511.310	16.564	221.606
United Arab Emirates	379,949	682.115	3,117.375	3,799.490	7.51%	480.443	0.000	201.672
Nigeria	387,452	695.590	3,178.930	3,874.520	7.66%	325.620	24.346	345.624
Qatar	363,236	653.040	2,979.320	3,632.360	7.18%	444.141	0.000	208.899
Egypt	357,965	641.910	2,937.740	3,579.650	7.07%	434.773	0.000	207.137
Kuwait	350,000	880.900	2,619.100	3,500.000	6.92%	631.882	0.000	249.018
Turkey	326,384	585.280	2,678.560	3,263.840	6.45%	376.177	20.236	188.867
Algeria	128,559	230.530	1,055.060	1,285.590	2.54%	158.837	0.000	71.693
Pakistan	128,559	230.540	1,055.050	1,285.590	2.54%	156.022	0.122	74.396
Indonesia	113,795	204.160	933.790	1,137.950	2.25%	148.223	0.007	55.930
Malaysia	82,308	147.600	675.480	823.080	1.63%	99.972	0.000	47.628
Bangladesh	50,996	91.440	418.520	509.960	1.01%	61.935	0.000	29.505
Morocco	25,669	46.030	210.660	256.690	0.51%	31.174	0.002	14.854
Yemen	25,862	46.190	212.430	258.620	0.51%	24.758	6.466	14.966
Sudan	23,295	41.820	191.130	232.950	0.46%	15.999	13.459	12.362
Jordan	21,976	39.450	180.310	219.760	0.43%	27.788	0.000	11.662
Oman	14,255	25.560	116.990	142.550	0.28%	17.314	0.000	8.246
Senegal	14,781	26.540	121.270	147.810	0.29%	9.374	9.319	7.847
Iraq	13,505	24.210	110.840	135.050	0.27%	16.398	0.000	7.812
Brunei	12,836	23.020	105.340	128.360	0.25%	15.858	0.000	7.162
Cameroon	12,836	23.020	105.340	128.360	0.25%	12.029	3.564	7.427
Burkina Faso	9,017	23.020	67.150	90.170	0.18%	15.612	0.000	7.408
Niger	9,017	23.020	67.150	90.170	0.18%	7.273	8.320	7.427
Uganda	6,895	12.410	56.540	68.950	0.14%	12.463	0.000	0.000
Bahrain	7,245	12.990	59.460	72.450	0.14%	8.797	0.000	4.193
Kazakhstan	5,400	9.760	44.240	54.000	0.11%	6.631	0.000	3.129
Azerbaijan	5,092	9.130	41.790	50.920	0.10%	6.288	0.000	2.842
Mali	5,092	9.130	41.790	50.920	0.10%	6.181	0.002	2.947
Gabon	5,458	27.400	27.180	54.580	0.11%	15.775	2.784	8.841
Guinea	4,585	23.020	22.830	45.850	0.09%	13.219	2.374	7.427
Lebanon	3,577	9.130	26.640	35.770	0.07%	6.183	0.000	2.947
Mauritania	3,577	9.130	26.640	35.770	0.07%	5.553	0.630	2.947
Tunisia	7,158	18.270	53.310	71.580	0.14%	12.380	0.000	5.890
Kyrgyz	2,584	4.630	21.210	25.840	0.05%	3.055	0.084	1.491
Mozambique	2,584	4.630	21.210	25.840	0.05%	3.006	0.133	1.491
Maldives	2,584	4.630	21.210	25.840	0.05%	3.192	0.000	1.438
Gambia	2,584	4.630	21.210	25.840	0.05%	3.137	0.002	1.491
Tajikistan	1,816	4.630	13.530	18.160	0.04%	3.128	0.011	1.491
Benin	5,823	10.450	47.780	58.230	0.12%	7.350	0.013	3.087
Togo	1,816	4.630	13.530	18.160	0.04%	3.129	0.010	1.491
Sierra Leone	1,816	4.640	13.520	18.160	0.04%	2.561	0.581	1.498
Palestine	1,955	9.850	9.700	19.550	0.04%	5.724	4.126	0.000
Syria	1,849	9.280	9.210	18.490	0.04%	5.003	1.281	2.996
Uzbekistan	1,344	3.730	9.710	13.440	0.03%	2.974	0.000	0.756
Cote D'Ivoire	1,302	3.570	9.450	13.020	0.03%	3.570	0.000	0.000
Comoros	1,302	3.570	9.450	13.020	0.03%	0.560	2.261	0.749
Chad	977	4.920	4.850	9.770	0.02%	4.667	0.253	0.000
Afghanistan	993	5.000	4.930	9.930	0.02%	4.996	0.004	0.000
Suriname	923	4.630	4.600	9.230	0.02%	2.820	0.319	1.491
Albania	923	4.630	4.600	9.230	0.02%	2.807	0.332	1.491
Somalia	496	2.500	2.460	4.960	0.01%	2.501	0.000	0.000
Turkmenistan	496	2.500	2.460	4.960	0.01%	2.500	0.000	0.000
Guinea-Bissau	496	2.500	2.460	4.960	0.01%	2.212	0.288	0.000
Djibouti	496	2.500	2.460	4.960	0.01%	1.625	0.875	0.000
Guyana	250	2.500	-	2.500	0.00%	0.745	0.005	1.750
Net Shortfall	*	*	*	*	0.00%	(0.010)	0.000	(0.044)
<b>Sub total</b>	<b>5,026,049</b>	<b>9,371.895</b>	<b>40,888.595</b>	<b>50,260.490</b>	<b>99.30%</b>	<b>6,177.086</b>	<b>259.559</b>	<b>2,935.250</b>
Uncommitted	35,357	-	353.570	353.570	0.70%	*	*	*
<b>Grand total</b>	<b>5,061,406</b>	<b>9,371.895</b>	<b>41,242.165</b>	<b>50,614.060</b>	<b>100%</b>	<b>6,177.086</b>	<b>259.559</b>	<b>2,935.250</b>

Note: total may not add up due to rounding



## ANNEX 6B STATEMENT OF ISDB VOTING POWER AS OF 31 DECEMBER 2021

Country	Voting Power	
	No of votes	% voting
Saudi Arabia	1,129,282	23.85%
Libya	438,258	9.26%
Iran	394,146	8.32%
United Arab Emirates	360,282	7.61%
Nigeria	350,955	7.41%
Qatar	342,846	7.24%
Egypt	337,751	7.13%
Kuwait	325,598	6.88%
Turkey	305,974	6.46%
Algeria	121,890	2.57%
Pakistan	121,607	2.57%
Indonesia	108,701	2.30%
Malaysia	78,045	1.65%
Bangladesh	48,545	1.03%
Morocco	24,683	0.52%
Yemen	24,219	0.51%
Sudan	21,213	0.45%
Jordan	21,310	0.45%
Oman	13,930	0.29%
Senegal	13,564	0.29%
Iraq	13,224	0.28%
Brunei	12,620	0.27%
Cameroon	12,237	0.26%
Burkina Faso	8,776	0.19%
Niger	7,942	0.17%
Uganda	7,400	0.16%
Bahrain	7,326	0.15%
Kazakhstan	5,587	0.12%
Azerbaijan	5,308	0.11%
Mali	5,297	0.11%
Gabon	4,795	0.10%
Guinea	4,105	0.09%
Lebanon	3,782	0.08%
Mauritania	3,719	0.08%
Tunisia	7,069	0.15%
Kyrgyz	2,927	0.06%
Mozambique	2,922	0.06%
Maldives	2,940	0.06%
Gambia	2,935	0.06%
Tajikistan	2,166	0.05%
Benin	6,013	0.13%
Togo	2,166	0.05%
Sierra Leone	2,108	0.04%
Palestine	2,042	0.04%
Syria	1,921	0.04%
Uzbekistan	1,768	0.04%
Cote D'Ivoire	1,802	0.04%
Comoros	1,501	0.03%
Chad	1,452	0.03%
Afghanistan	1,493	0.03%
Suriname	1,242	0.03%
Albania	1,241	0.03%
Somalia	996	0.02%
Turkmenistan	996	0.02%
Guinea-Bissau	967	0.02%
Djibouti	909	0.02%
Guyana	574	0.01%
Net Shortfall	*	*
<b>Sub-Total</b>	<b>4,735,069</b>	<b>100.00%</b>
Uncommitted	*	*
<b>Grand Total</b>	<b>4,735,069</b>	<b>100.00%</b>

# ANNEX 7A SECTORAL DISTRIBUTION OF ISDB-OCR NET APPROVALS BY COUNTRY 2021<sup>1</sup>

(US\$ MILLION)

Country	Agriculture	Education	Energy	Health	Industry & Mining	Information & Communications	Transportation	Water, Sanitation & Urban Services	Others <sup>2</sup>	Total
Afghanistan	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Albania	0.0	0.0	0.0	0.0	0.0	0.0	56.8	0.0	0.0	56.8
Algeria	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Azerbaijan	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Bahrain	0.0	0.0	0.0	0.0	0.0	0.0	0.0	80.0	0.0	80.0
Bangladesh	0.0	0.0	0.0	0.0	0.0	0.0	0.0	36.4	0.0	36.4
Benin	0.0	0.0	0.0	32.5	0.0	0.0	0.0	58.6	0.0	91.1
Brunei	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Burkina Faso	0.0	20.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	20.1
Cameroon	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Chad	0.0	0.0	0.0	29.3	0.0	0.0	0.0	0.0	0.0	29.3
Comoros	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Côte d'Ivoire	5.0	132.3	0.0	30.5	0.0	0.0	0.0	29.9	0.0	197.7
Djibouti	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Egypt	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Gabon	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Gambia	0.0	7.0	0.0	0.0	0.0	0.0	14.0	0.0	0.0	21.0
Guinea	0.0	0.0	15.0	10.0	0.0	0.0	104.7	18.5	0.0	148.2
Guinea-Bissau	0.0	17.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	17.0
Guyana	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Indonesia	0.0	0.0	0.0	0.0	0.0	0.0	150.0	0.0	0.0	150.0
Iran	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Iraq	22.0	17.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	39.0
Jordan	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	8.0	8.0
Kazakhstan	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Kuwait	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Kyrgyz Republic	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Lebanon	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Libya	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Malaysia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Maldives	0.0	0.0	0.0	0.0	0.0	0.0	0.0	20.0	0.0	20.0
Mali	17.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	17.8
Mauritania	0.0	12.0	0.0	0.0	0.0	0.0	32.8	0.0	0.0	44.8
Morocco	0.0	0.0	15.5	0.0	0.0	0.0	0.0	0.0	0.0	15.5
Mozambique	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Niger	0.0	0.0	0.0	0.0	0.0	0.0	23.7	0.0	0.0	23.7
Nigeria	150.5	0.0	29.8	0.0	0.0	0.0	86.6	0.0	0.0	266.9
Oman	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Pakistan	0.0	0.0	130.0	70.0	0.0	0.0	0.0	0.0	0.0	200.0
Palestine	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Qatar	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Saudi Arabia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	16.5	16.5
Senegal	16.9	0.0	16.6	0.0	0.0	0.0	125.4	30.8	4.5	194.2
Sierra Leone	0.0	0.0	0.0	0.0	0.0	5.0	41.0	0.0	0.0	46.0
Somalia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Sudan	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Suriname	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Syria	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Tajikistan	0.0	17.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	17.0
Togo	0.0	15.0	20.2	0.0	0.0	0.0	0.0	0.0	0.0	35.1
Tunisia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Turkey	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Turkmenistan	0.0	0.0	0.0	0.0	0.0	0.0	90.0	0.0	0.0	90.0
U.A.E.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Uganda	80.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	80.0
Uzbekistan	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	30.0	30.0
Yemen	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>ISDB-57</b>	<b>292.2</b>	<b>237.3</b>	<b>227.0</b>	<b>172.3</b>	<b>0.0</b>	<b>5.0</b>	<b>724.9</b>	<b>274.2</b>	<b>59.0</b>	<b>1,992.0</b>

<sup>1</sup> Cut-off date for data reported in this table was 31 December 2021.

<sup>2</sup> Others include Finance, Public Administration, Real Estate and Trade related activities

Source: Economic Research & Statistics

## ANNEX 7B SECTORAL DISTRIBUTION OF ISDB-OCR NET APPROVALS BY COUNTRY (1975-2021)<sup>1</sup> (US\$ MILLION)

Country	Agriculture	Education	Energy	Health	Industry & Mining	Information & Communications	Transportation	Water, Sanitation & Urban Services	Others <sup>2</sup>	Total
Afghanistan	10.0	0.0	16.5	0.0	0.0	0.0	114.2	0.0	0.0	140.7
Albania	37.9	0.0	0.0	17.3	0.0	0.0	532.9	26.9	22.1	637.1
Algeria	50.5	0.0	146.5	0.0	71.1	0.0	31.4	162.3	5.4	467.2
Azerbaijan	112.7	0.0	497.0	19.3	0.0	0.0	45.5	264.9	10.8	950.2
Bahrain	0.0	0.0	535.5	0.0	24.7	0.0	144.7	540.7	97.8	1,343.3
Bangladesh	152.9	91.9	806.8	166.3	199.5	104.0	107.9	160.8	7.2	1,797.2
Benin	48.3	65.3	153.4	134.4	0.0	26.5	306.8	80.7	5.0	820.2
Brunei	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6.2	6.2
Burkina Faso	247.4	88.0	147.4	44.1	27.7	0.0	391.3	67.6	1.7	1,015.2
Cameroon	300.1	46.1	52.2	112.0	0.0	0.0	480.6	54.4	7.5	1,052.9
Chad	123.1	51.4	47.9	53.2	3.8	0.0	528.6	50.8	6.4	865.1
Comoros	1.0	0.0	0.0	0.0	1.8	0.0	7.6	0.0	0.0	10.4
Côte d'Ivoire	95.7	385.6	0.0	76.8	0.0	0.0	544.5	495.6	0.0	1,598.1
Djibouti	7.3	12.5	19.3	111.0	0.0	55.3	54.9	0.0	0.7	261.1
Egypt	48.8	25.0	1,822.6	43.8	87.0	0.0	25.6	50.7	79.5	2,182.9
Gabon	0.0	18.2	0.0	4.5	0.0	60.0	342.4	57.8	0.0	483.0
Gambia	67.1	34.5	48.6	11.5	28.0	27.3	69.4	9.9	1.9	298.3
Guinea	138.1	40.1	225.5	107.9	8.4	0.0	405.5	111.4	8.7	1,045.6
Guinea-Bissau	0.3	17.0	0.0	12.0	0.4	0.0	1.5	0.0	0.0	31.2
Guyana	0.0	0.0	34.6	0.0	0.0	0.0	0.0	0.0	0.0	34.6
Indonesia	919.3	1,039.2	374.6	404.8	40.7	11.3	597.1	110.5	204.4	3,701.8
Iran	558.0	54.9	604.1	166.7	319.4	0.0	110.4	1,101.5	26.7	2,941.6
Iraq	22.0	17.0	0.0	20.5	5.5	0.0	0.0	0.0	0.0	65.0
Jordan	5.4	66.2	212.4	195.1	182.5	23.8	147.5	7.8	28.5	869.2
Kazakhstan	143.0	0.0	0.0	11.5	0.0	9.0	315.6	9.5	140.0	628.5
Kuwait	0.0	0.0	4.2	0.0	0.0	0.0	0.0	0.0	54.3	58.5
Kyrgyz Republic	36.3	0.0	95.2	4.9	8.0	0.0	131.5	15.0	0.0	290.8
Lebanon	0.0	241.5	30.0	169.3	0.0	12.5	269.1	582.0	0.0	1,304.4
Libya	22.3	0.0	101.9	0.0	112.5	22.0	58.3	0.0	0.0	317.0
Malaysia	6.2	196.9	0.0	79.5	2.0	0.0	175.4	0.0	45.0	505.0
Maldives	0.0	0.0	0.0	39.2	0.0	0.0	65.6	37.1	13.7	155.4
Mali	313.8	17.4	323.0	32.9	38.7	0.0	193.5	114.3	0.0	1,033.6
Mauritania	119.3	57.6	202.5	29.6	84.2	0.0	198.3	134.3	3.8	829.6
Morocco	235.1	5.1	1,026.6	43.2	31.9	16.0	825.4	430.0	6.2	2,619.6
Mozambique	37.6	25.6	309.2	39.4	0.0	0.0	30.7	0.0	0.0	442.4
Niger	131.2	76.3	146.9	57.6	7.8	8.0	171.0	19.4	6.3	624.5
Nigeria	248.7	96.3	30.9	162.6	0.0	50.0	166.6	146.0	7.8	908.9
Oman	357.8	134.0	252.8	10.5	142.4	0.0	600.6	590.1	0.0	2,088.3
Pakistan	32.0	88.5	1,208.0	494.0	177.3	0.0	482.5	4.9	100.7	2,588.1
Palestine	0.0	29.5	1.4	22.1	1.2	0.0	5.0	0.0	0.5	59.7
Qatar	0.0	4.5	0.0	49.1	29.3	0.0	0.0	225.0	0.0	307.9
Saudi Arabia	0.0	1.7	233.5	18.5	725.0	0.0	100.0	42.5	181.1	1,302.3
Senegal	341.4	66.2	398.4	78.1	21.0	0.0	897.5	546.6	59.3	2,408.5
Sierra Leone	95.9	11.2	10.4	40.5	9.1	29.5	70.6	54.1	0.0	321.3
Somalia	0.0	2.0	0.5	0.0	0.0	0.0	7.5	3.0	5.2	18.2
Sudan	383.8	67.0	152.0	73.1	82.7	0.0	60.1	108.2	41.6	968.4
Suriname	0.0	41.1	41.3	43.5	0.0	0.0	26.0	0.0	0.0	151.9
Syria	26.7	0.0	235.7	25.0	15.0	0.0	0.0	52.2	9.1	363.8
Tajikistan	50.5	79.0	122.5	33.0	0.0	0.0	91.1	11.3	1.0	388.2
Togo	19.4	57.5	46.2	17.0	0.0	0.0	135.4	43.9	0.0	319.4
Tunisia	183.3	84.9	1,251.6	63.7	146.2	0.0	9.0	226.5	27.9	1,993.1
Turkey	17.5	219.8	751.0	459.4	152.1	0.0	1,179.0	67.0	952.7	3,798.5
Turkmenistan	0.0	5.3	350.0	25.6	0.0	288.1	504.2	0.0	0.0	1,173.1
U.A.E.	0.0	0.0	110.0	58.2	105.2	0.9	60.0	0.0	20.0	354.2
Uganda	196.1	80.7	235.1	42.5	6.6	0.0	448.0	16.5	12.1	1,037.6
Uzbekistan	645.6	77.0	203.1	392.5	20.0	0.0	348.0	92.9	75.0	1,854.1
Yemen	105.2	56.4	53.2	10.2	0.7	0.0	46.7	29.9	18.5	320.7
<b>ISDB-57</b>	<b>6,694.7</b>	<b>3,875.81</b>	<b>3,671.42</b>	<b>4,327.1</b>	<b>2,919.4</b>	<b>744.4</b>	<b>12,662.3</b>	<b>6,956.5</b>	<b>2,302.1</b>	<b>54,153.8</b>

<sup>1</sup> Cut-off date for data reported in this table was 31 December 2021.

<sup>2</sup> Others include Finance, Public Administration, Real Estate and Trade related activities

Source: Economic Research & Statistics

# ANNEX 8A IsDB GROUP NET APPROVALS BY COUNTRY AND ENTITY<sup>1</sup>

(ID MILLION)

Country	2021 Approvals by Entity					Share in Net Approvals since Inception (%)
	IsDB-OCR	ICD	ITFC	Others <sup>2</sup>	Total	
Afghanistan	0.0	0.0	0.0	0.0	0.0	0.1
Albania	40.6	0.0	0.0	0.0	40.6	0.4
Algeria	0.0	0.0	0.0	0.0	0.0	2.1
Azerbaijan	0.0	0.0	0.0	0.0	0.0	0.7
Bahrain	57.2	0.0	0.0	0.0	57.2	1.1
Bangladesh	25.7	39.3	483.7	3.6	552.2	14.1
Benin	63.2	0.0	0.0	3.4	66.6	0.7
Brunei	0.0	0.0	0.0	0.0	0.0	0.0
Burkina Faso	14.3	0.0	186.9	0.1	201.3	2.1
Cameroon	0.0	0.0	221.0	0.1	221.1	1.5
Chad	20.9	0.0	0.0	3.0	23.9	0.6
Comoros	0.0	0.0	40.7	2.2	42.9	0.3
Côte d'Ivoire	139.4	0.0	8.7	2.9	151.0	1.3
Djibouti	0.0	0.0	57.2	0.0	57.2	0.9
Egypt	0.0	0.0	1,801.4	0.0	1,801.4	10.1
Gabon	0.0	0.0	0.0	0.0	0.0	0.3
Gambia	15.0	0.0	22.1	0.1	37.2	0.6
Guinea	104.5	0.0	3.6	0.2	108.3	0.8
Guinea-Bissau	12.0	0.0	0.0	0.1	12.1	0.0
Guyana	0.0	0.0	0.0	0.0	0.0	0.0
Indonesia	107.3	0.0	31.1	0.0	138.3	3.7
Iran	0.0	0.0	0.0	0.0	0.0	3.8
Iraq	27.4	0.0	0.0	0.0	27.4	0.3
Jordan	5.7	0.0	0.0	1.5	7.2	1.8
Kazakhstan	0.0	3.6	0.0	0.0	3.6	1.0
Kuwait	0.0	35.7	0.0	0.0	35.7	0.6
Kyrgyz Republic	0.0	0.0	2.9	0.0	2.9	0.3
Lebanon	0.0	0.0	0.0	0.0	0.0	1.0
Libya	0.0	0.0	0.0	0.3	0.3	0.5
Malaysia	0.0	0.0	0.0	0.0	0.0	0.6
Maldives	13.9	0.0	121.5	0.0	135.4	0.9
Mali	11.9	0.0	82.3	1.6	95.8	1.2
Mauritania	31.4	0.0	50.0	0.0	81.4	1.1
Morocco	10.8	0.0	0.0	0.2	11.0	4.2
Mozambique	0.0	0.0	0.0	0.0	0.0	0.3
Niger	16.8	0.0	0.0	0.0	16.8	0.6
Nigeria	189.8	17.9	0.0	0.1	207.7	1.1
Oman	0.0	0.0	0.0	0.0	0.0	1.3
Pakistan	143.1	14.3	702.3	2.0	861.8	9.3
Palestine	0.0	0.0	0.0	34.4	34.4	0.3
Qatar	0.0	0.0	0.0	0.0	0.0	0.2
Saudi Arabia	11.7	19.3	0.0	7.9	38.8	3.3
Senegal	127.1	7.6	147.7	3.6	286.0	2.6
Sierra Leone	32.8	0.0	0.0	0.0	32.8	0.3
Somalia	0.0	0.0	0.0	0.3	0.3	0.1
Sudan	0.0	0.0	0.0	0.2	0.2	1.0
Suriname	0.0	0.0	17.9	0.0	17.9	0.2
Syria	0.0	0.0	0.0	0.7	0.7	0.4
Tajikistan	12.0	0.0	12.9	0.2	25.0	0.4
Togo	24.9	0.0	7.1	5.5	37.6	0.5
Tunisia	0.0	0.0	235.8	0.1	235.9	3.4
Turkey	0.0	0.0	0.0	0.0	0.0	7.7
Turkmenistan	64.4	0.0	0.0	0.1	64.5	0.7
U.A.E.	0.0	0.0	0.0	1.5	1.5	0.7
Uganda	57.2	0.0	0.0	5.2	62.3	0.7
Uzbekistan	21.4	7.1	71.4	7.4	107.4	1.5
Yemen	0.0	0.0	0.0	0.0	0.0	0.7
Non-Member Countries	1.2	0.0	0.0	7.0	8.3	0.6
Regional Projects	0.0	29.3	285.8	5.5	320.6	3.3
<b>Net Approvals</b>	<b>1,403.5</b>	<b>174.1</b>	<b>4,594.0</b>	<b>101.0</b>	<b>6,272.5</b>	<b>100</b>

<sup>1</sup> Cut-off date for data reported in this table was 31 December 2021.

<sup>2</sup> Comprised of APIF, Economic Empowerment, EFS, IBP, ICD Funds, ISFD, ITFO, SAO, STI, Trust Funds and WAQF.

Source: Economic Research & Statistics

**ANNEX 8B** ISDB GROUP NET APPROVALS BY COUNTRY AND ENTITY<sup>1</sup>

(US\$ MILLION)

Country	2021 Approvals by Entity					Total	Share in Net Approvals since Inception (%)
	IsDB-OCR	ICD	ITFC	Others <sup>2</sup>			
Afghanistan	0.0	0.0	0.0	0.0	0.0	0.0	0.1
Albania	56.8	0.0	0.0	0.0	0.0	56.8	0.4
Algeria	0.0	0.0	0.0	0.0	0.0	0.0	1.9
Azerbaijan	0.0	0.0	0.0	0.0	0.0	0.0	0.7
Bahrain	80.0	0.0	0.0	0.1	0.1	80.1	1.1
Bangladesh	36.4	55.0	677.0	5.0	773.4	773.4	14.4
Benin	91.1	0.0	0.0	4.9	96.0	96.0	0.7
Brunei	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Burkina Faso	20.1	0.0	261.6	0.1	281.9	281.9	2.1
Cameroon	0.0	0.0	309.3	0.1	309.4	309.4	1.5
Chad	29.3	0.0	0.0	4.2	33.5	33.5	0.6
Comoros	0.0	0.0	56.9	3.2	60.1	60.1	0.3
Côte d'Ivoire	197.7	0.0	12.1	4.2	214.0	214.0	1.3
Djibouti	0.0	0.0	80.0	0.0	80.0	80.0	0.9
Egypt	0.0	0.0	2,521.3	0.0	2,521.3	2,521.3	10.1
Gabon	0.0	0.0	0.0	0.0	0.0	0.0	0.3
Gambia	21.0	0.0	31.0	0.1	52.1	52.1	0.6
Guinea	148.2	0.0	5.0	0.3	153.5	153.5	0.8
Guinea-Bissau	17.0	0.0	0.0	0.2	17.2	17.2	0.0
Guyana	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Indonesia	150.0	0.0	43.5	0.0	193.5	193.5	3.7
Iran	0.0	0.0	0.0	0.0	0.0	0.0	3.8
Iraq	39.0	0.0	0.0	0.0	39.0	39.0	0.3
Jordan	8.0	0.0	0.0	2.1	10.1	10.1	1.7
Kazakhstan	0.0	5.0	0.0	0.0	5.0	5.0	1.0
Kuwait	0.0	50.0	0.0	0.0	50.0	50.0	0.6
Kyrgyz Republic	0.0	0.0	4.0	0.0	4.0	4.0	0.3
Lebanon	0.0	0.0	0.0	0.0	0.0	0.0	1.0
Libya	0.0	0.0	0.0	0.5	0.5	0.5	0.5
Malaysia	0.0	0.0	0.0	0.0	0.0	0.0	0.6
Maldives	20.0	0.0	170.0	0.0	190.0	190.0	0.9
Mali	17.8	0.0	115.2	2.4	135.4	135.4	1.2
Mauritania	44.8	0.0	70.0	0.0	114.8	114.8	1.1
Morocco	15.5	0.0	0.0	0.3	15.7	15.7	4.2
Mozambique	0.0	0.0	0.0	0.0	0.0	0.0	0.3
Niger	23.7	0.0	0.0	0.0	23.7	23.7	0.6
Nigeria	266.9	25.0	0.0	0.1	292.0	292.0	1.1
Oman	0.0	0.0	0.0	0.0	0.0	0.0	1.3
Pakistan	200.0	20.0	983.0	2.8	1,205.8	1,205.8	9.1
Palestine	0.0	0.0	0.0	48.9	48.9	48.9	0.3
Qatar	0.0	0.0	0.0	0.0	0.0	0.0	0.2
Saudi Arabia	16.5	27.0	0.0	11.2	54.7	54.7	3.4
Senegal	194.2	10.6	206.7	5.0	416.5	416.5	2.6
Sierra Leone	46.0	0.0	0.0	0.0	46.0	46.0	0.3
Somalia	0.0	0.0	0.0	0.5	0.5	0.5	0.1
Sudan	0.0	0.0	0.0	0.3	0.3	0.3	1.1
Suriname	0.0	0.0	25.0	0.0	25.0	25.0	0.2
Syria	0.0	0.0	0.0	1.0	1.0	1.0	0.4
Tajikistan	17.0	0.0	18.0	0.3	35.3	35.3	0.4
Togo	35.1	0.0	10.0	7.8	52.9	52.9	0.4
Tunisia	0.0	0.0	330.0	0.1	330.2	330.2	3.3
Turkey	0.0	0.0	0.0	0.0	0.0	0.0	7.6
Turkmenistan	90.0	0.0	0.0	0.2	90.2	90.2	0.7
U.A.E.	0.0	0.0	0.0	2.0	2.0	2.0	0.7
Uganda	80.0	0.0	0.0	7.2	87.2	87.2	0.7
Uzbekistan	30.0	10.0	100.0	10.3	150.3	150.3	1.6
Yemen	0.0	0.0	0.0	0.0	0.0	0.0	0.6
Non-Member Countries	1.8	0.0	0.0	10.1	11.8	11.8	0.6
Regional Projects	0.0	41.0	400.0	7.8	448.8	448.8	3.4
<b>Net Approvals</b>	<b>1,993.7</b>	<b>243.6</b>	<b>6,429.7</b>	<b>143.2</b>	<b>8,810.2</b>	<b>8,810.2</b>	<b>100</b>

<sup>1</sup> Cut-off date for data reported in this table was 31 December 2021.<sup>2</sup> Others include Finance, Public Administration, Real Estate and Trade related activities

Source: Economic Research &amp; Statistics

# ANNEX 9 CUMULATIVE ISDB GROUP OPERATIONS BY MAJOR MODE OF FINANCING (1975-2021)<sup>1</sup>

Country	Project Financing			Technical Assistance Operations			Trade Financing			Special Assistance Operations			Grand Total <sup>2</sup>		
	No.	ID m.	\$ m.	No.	ID m.	\$ m.	No.	ID m.	\$ m.	No.	ID m.	\$ m.	No.	ID m.	\$ m.
Afghanistan	9	97.1	140.7	12	1.7	2.6	0	0.0	0.0	17	9.1	12.5	38	107.9	155.8
Albania	29	423.4	644.7	6	1.4	2.0	2	4.8	7.2	3	0.4	0.5	40	430.0	654.4
Algeria	29	370.1	494.2	12	1.7	2.3	347	1,932.5	2,493.0	7	4.4	5.6	395	2,308.8	2,995.1
Azerbaijan	34	664.7	1,012.4	18	2.7	3.9	18	107.2	160.8	3	1.4	2.0	73	776.1	1,179.1
Bahrain	46	945.4	1,391.1	23	2.4	3.5	25	255.9	375.4	0	0.0	0.0	94	1,203.8	1,770.1
Bangladesh	106	1,423.9	2,085.2	46	68.7	95.5	314	14,258.7	20,861.8	17	47.1	61.4	483	15,798.3	23,104.0
Benin	59	613.9	879.3	22	3.7	5.2	10	113.1	159.9	1	1.3	1.4	92	731.9	1,045.9
Brunei	2	7.2	9.9	1	0.0	0.0	0	0.0	0.0	0	0.0	0.0	3	7.2	9.9
Burkina Faso	106	742.9	1,069.8	38	11.0	15.5	37	1,583.6	2,231.0	7	7.9	8.6	188	2,345.4	3,324.8
Cameroon	70	758.6	1,088.1	18	1.6	2.3	25	899.9	1,259.9	3	1.3	1.7	116	1,661.5	2,352.1
Chad	65	635.9	933.0	38	4.6	6.5	4	30.2	42.3	11	10.0	11.2	118	680.8	993.0
Comoros	6	11.2	13.9	25	4.3	6.5	33	328.5	459.7	4	3.2	4.3	68	347.3	484.4
Côte d'Ivoire	54	1,129.3	1,628.8	10	0.9	1.2	12	302.1	428.6	5	0.9	1.2	81	1,433.2	2,060.0
Djibouti	44	221.7	319.4	23	2.9	4.1	30	790.8	1,108.0	11	1.7	2.4	108	1,017.1	1,433.8
Egypt	88	1,585.2	2,371.5	28	4.0	5.7	238	9,728.9	13,818.4	8	1.7	2.4	362	11,319.7	16,198.0
Gabon	18	325.5	483.0	3	0.2	0.3	1	18.8	25.2	0	0.0	0.0	22	344.5	508.5
Gambia	56	231.9	342.2	33	3.2	4.5	56	466.8	672.6	3	1.5	1.6	148	703.4	1,021.0
Guinea	106	823.0	1,149.4	40	14.0	20.1	7	42.0	53.8	8	6.5	8.6	161	885.5	1,231.9
Guinea-Bissau	7	26.6	37.2	14	2.1	2.9	3	13.1	17.0	3	1.1	1.3	27	43.0	58.4
Guyana	2	24.8	34.6	7	0.3	0.4	0	0.0	0.0	3	0.4	0.5	12	25.5	35.6
Indonesia	121	2,616.1	3,785.6	34	4.4	6.5	171	1,518.9	2,177.4	5	3.6	5.4	331	4,143.1	5,974.9
Iran	69	2,074.2	3,087.5	21	1.9	2.7	327	2,136.8	3,057.7	10	10.9	15.1	427	4,223.7	6,163.0
Iraq	5	50.9	65.0	9	0.6	0.9	59	319.3	369.1	14	4.6	6.4	87	375.5	441.5
Jordan	63	678.3	947.2	34	3.9	5.5	339	1,316.0	1,780.8	1	0.2	0.3	437	1,998.4	2,733.8
Kazakhstan	20	462.7	672.5	19	2.1	3.0	25	659.1	984.0	5	1.3	1.9	69	1,125.3	1,661.4
Kuwait	11	72.2	106.8	25	1.9	2.8	24	591.1	864.0	3	5.5	7.3	63	670.7	980.9
Kyrgyz Republic	37	256.6	372.3	20	4.0	5.9	7	28.0	40.0	7	1.7	2.4	71	290.2	420.6
Lebanon	64	950.6	1,362.9	10	0.8	1.2	9	152.1	212.1	19	7.4	10.6	102	1,111.0	1,586.9
Libya	17	265.6	366.0	10	2.9	4.1	15	320.1	419.9	6	3.4	4.9	48	592.0	794.8
Malaysia	31	394.4	563.6	25	1.9	2.7	85	261.6	361.4	5	8.5	11.4	146	666.4	939.2
Maldives	30	140.2	201.0	9	1.1	1.6	31	906.8	1,286.0	3	0.6	0.8	73	1,048.6	1,489.4
Mali	104	816.7	1,164.5	29	5.9	8.4	26	555.5	788.3	11	14.7	16.5	170	1,392.9	1,977.6
Mauritania	92	628.0	926.0	44	6.6	9.2	30	614.1	885.2	7	9.5	11.1	173	1,258.2	1,831.5
Morocco	66	1,816.3	2,673.9	50	7.2	10.2	126	2,897.9	4,123.4	4	1.1	1.5	246	4,722.6	6,809.0
Mozambique	25	325.2	461.1	13	2.0	3.1	5	48.3	70.0	6	2.4	2.5	49	377.9	536.8
Niger	80	488.9	698.5	50	55.2	80.6	24	144.2	189.8	18	10.3	12.5	172	698.6	981.4
Nigeria	36	671.1	977.4	22	12.3	17.1	33	541.1	794.7	28	5.5	7.5	119	1,229.9	1,796.8
Oman	40	1,503.9	2,088.3	8	1.2	1.7	2	3.7	5.0	2	0.4	0.5	52	1,509.2	2,095.5
Pakistan	92	1,924.9	2,834.6	33	22.3	31.1	293	8,442.4	11,645.1	11	9.7	13.2	429	10,399.3	14,524.0
Palestine	26	84.5	120.2	112	205.4	288.9	3	4.0	6.0	44	42.8	55.6	185	336.6	470.8
Qatar	11	210.4	324.3	1	0.1	0.1	6	33.8	54.1	0	0.0	0.0	18	244.3	378.5
Saudi Arabia	96	1,245.2	1,847.4	45	4.2	6.0	307	2,462.8	3,656.7	3	0.2	0.3	451	3,712.5	5,510.4
Senegal	143	1,782.7	2,572.2	42	6.3	9.0	64	1,085.5	1,517.7	7	13.3	14.5	256	2,887.8	4,113.4
Sierra Leone	49	269.1	390.8	25	8.7	12.4	4	18.1	26.0	4	2.6	3.5	82	298.6	432.6
Somalia	5	14.7	18.2	17	8.6	12.9	4	35.9	46.2	56	32.7	48.0	82	91.9	125.3
Sudan	100	796.8	1,176.4	42	27.6	39.1	38	328.1	462.6	21	21.2	25.5	201	1,173.7	1,703.6
Suriname	16	121.3	171.3	13	0.9	1.3	5	65.4	92.0	3	0.1	0.2	37	187.8	264.8
Syria	29	293.3	408.2	11	3.9	5.9	27	135.1	169.3	23	7.3	10.5	90	439.7	593.8
Tajikistan	40	303.0	433.7	25	4.2	6.1	19	150.3	217.0	7	0.9	1.2	91	458.3	658.0
Togo	32	245.0	347.2	6	1.4	2.0	15	257.7	365.9	2	1.3	1.5	55	505.3	716.6
Tunisia	71	1,415.1	2,052.8	24	4.6	6.9	177	2,375.8	3,294.3	4	3.2	4.2	276	3,798.7	5,358.2
Turkey	101	2,696.8	3,848.8	36	1.9	2.7	398	5,955.3	8,255.6	8	16.6	21.3	543	8,670.5	12,128.4
Turkmenistan	13	811.8	1,173.1	5	0.9	1.3	2	13.6	20.0	1	0.2	0.3	21	826.5	1,194.7
U.A.E.	26	312.0	441.1	21	7.9	11.6	35	494.0	706.9	0	0.0	0.0	82	813.9	1,159.7
Uganda	47	763.1	1,096.9	35	4.7	6.8	8	49.3	66.2	8	2.7	3.6	98	819.8	1,173.4
Uzbekistan	41	1,276.5	1,887.3	18	2.1	3.0	46	446.0	639.1	6	1.0	1.3	111	1,725.5	2,530.6
Yemen	59	361.4	529.1	27	16.7	23.5	44	379.0	451.2	11	21.8	29.7	141	778.9	1,033.5
Non-Member Countries	48	193.7	275.1	16	4.6	7.1	26	235.0	362.8	1,032	219.6	304.1	1,122	652.9	949.1
Regional Projects	52	1,337.8	1,899.9	828	916.1	1,350.2	15	912.8	1,288.0	336	581.8	879.8	1,231	3,748.5	5,418.0
Net Approvals	2,944	41,733.4	60,497.4	2,231	1,500.4	2,180.1	4,036	67,771.6	95,926.2	1,855	1,170.4	1,664.2	11,066	112,175.9	160,267.8
Gross Approvals	3,564	51,175.6	74,038.0	2,446	1,763.2	2,566.7	4,254	69,603.6	98,460.3	2,073	1,275.1	1,811.7	12,337	123,817.5	176,876.6

<sup>1</sup> Cut-off date for data reported in this table was 31 December 2021.

<sup>2</sup> Figures are net of cancellation (unless otherwise specified) and include APIF, Economic Empowerment, EFS, IBP, ICD Funds, ISFD, ITFO, SAO, STI, Trust Funds and WAQF.

Source: Economic Research & Statistics

## ANNEX 10A APPROVALS BY ENTITIES AND MODES OF FINANCING (1975-2021)<sup>1</sup>

(ID MILLION)

	2018	2019	2020	2021	Grand Total <sup>2</sup>
<b>A. IsDB OCR</b>					
Loan	54.7	69.1	97.1	111.7	5,156.1
Equity	29.5	12.3	18.5	7.0	1,300.9
Leasing	7.9	143.2	158.0	70.9	7,488.6
Instalment Sale	713.6	826.9	896.2	1,176.1	8,700.9
Combined Lines of Financing	0.0	0.0	0.0	0.0	238.6
Profit Sharing (Musharaka)	0.0	0.0	0.0	0.0	112.2
Istisna'a	73.5	156.2	61.1	37.7	14,322.6
Mudaraba	0.0	3.6	0.0	0.0	730.4
Technical Assistance	0.0	0.0	0.0	0.0	0.0
<b>Sub-Total</b>	<b>879.2</b>	<b>1,211.3</b>	<b>1,230.9</b>	<b>1,403.5</b>	<b>38,050.3</b>
<b>B. ICD</b>					
Equity	6.6	13.8	9.4	11.1	978.6
Leasing	32.4	0.0	6.9	0.0	487.3
Instalment Sale	0.0	0.0	0.0	0.0	84.2
Istisna'a	0.0	47.0	5.6	0.0	76.1
Mudaraba	0.0	10.8	0.0	0.0	10.8
Trade (Murabaha)	301.3	35.0	190.9	162.9	2,430.2
<b>Sub-Total</b>	<b>340.2</b>	<b>106.7</b>	<b>212.9</b>	<b>174.1</b>	<b>4,067.3</b>
<b>C. ITFC</b>					
<b>Murabaha</b>	<b>3,550.4</b>	<b>4,176.0</b>	<b>3,256.5</b>	<b>4,594.0</b>	<b>41,981.2</b>
<b>D. Others</b>					
ICD Funds	29.0	0.0	0.0	0.0	674.5
APIF	3.0	16.2	7.4	11.6	134.9
Economic Empowerment	0.0	0.0	0.7	1.1	1.8
STI	0.0	4.7	1.5	0.0	6.2
Special Assistance Operations	8.1	1.5	1.4	5.6	624.4
ISFD	61.7	67.2	23.8	43.4	773.2
Trust Funds	73.7	100.1	79.5	33.3	2,186.0
WAQF	14.5	8.7	8.8	6.0	533.5
Pre-ITFC trade (EFS, IBP, ITFO)	0.0	0.0	0.0	0.0	23,142.4
<b>Sub-Total</b>	<b>190.0</b>	<b>198.5</b>	<b>123.2</b>	<b>101.0</b>	<b>28,077.1</b>
<b>Grand Total</b>	<b>4,959.9</b>	<b>5,692.4</b>	<b>4,823.4</b>	<b>6,272.5</b>	<b>112,175.9</b>

**Memo:****E. ICIEC Operation for the last five years and total since inception (ID million)**

	2018	2019	2020	2021	Grand Total <sup>2</sup>
New Commitments	3,477.7	3,272.9	2,676.2	2,198.1	36,580.2
Business Insured	6,492.9	7,856.6	6,846.2	7,000.2	58,387.2

**IsDB-OCR Resources and Finance (at year's end)**

	2018	2019	2020	2021
Total Assets	22,047.4	23,573.9	24,424.0	26,026.7
Gross Income (net of Ijarah depreciation) <sup>3</sup>	537.7	621.8	592.2	563.5
Net Income	83.9	140.4	115.6	106.9
General Reserves	2,878.3	2,949.7	2,997.1	3,074.6
Fair Value Reserves	255.3	325.7	279.0	382.3
Subscribed Capital	50,225.3	50,225.3	50,260.5	50,260.5
Approved Administrative budget*	163.8	159.3	154.4	149.6
Actual Administrative budget*	145.3	139.3	141.9	135.7

\* include Trust Funds (i.e Al-Quds and Al-Aqsa Funds)

<sup>1</sup> Cut-off date for data reported in this table was 31 December 2021.<sup>2</sup> Cumulative approvals since inception in 1975.<sup>3</sup> Gross income is adjusted for depreciation so that the reported figure could be easily reconciled with the audited financial statements.

The conversion rates for the various years are as follows:

2018G 1ID = \$1.39079 2019G 1ID = \$1.38283

2020G 1ID = \$1.44027 2021G 1ID = \$1.39959

1395H-2021G 1ID = \$1.42872 (approximation only)

Source: Economic Research &amp; Statistics

# ANNEX 10B APPROVALS BY ENTITIES AND MODES OF FINANCING (1975-2021)<sup>1</sup>

(\$ MILLION)

	2018	2019	2020	2021	Grand Total <sup>2</sup>
<b>A. IsDB OCR</b>					
Loan	76.5	95.4	134.4	158.1	7,261.9
Equity	41.0	17.0	26.6	9.8	1,899.0
Leasing	11.0	198.7	230.7	100.5	10,916.9
Instalment Sale	1,001.4	1,141.6	1,255.3	1,672.5	12,359.3
Combined Lines of Financing	0.0	0.0	0.0	0.0	344.3
Profit Sharing (Musharaka)	0.0	0.0	0.0	0.0	168.3
Istisna'a	100.6	222.6	85.3	52.8	21,201.3
Mudaraba	0.0	5.0	0.0	0.0	1,060.0
Technical Assistance	0.0	0.0	0.0	0.0	0.1
<b>Sub-Total</b>	<b>1,230.5</b>	<b>1,680.3</b>	<b>1,732.4</b>	<b>1,993.7</b>	<b>55,211.1</b>
<b>B. ICD</b>					
Equity	9.2	19.1	13.6	15.6	1,448.7
Leasing	45.0	0.0	10.0	0.0	710.8
Instalment Sale	0.0	0.0	0.0	0.0	125.2
Istisna'a	0.0	65.0	8.0	0.0	105.4
Mudaraba	0.0	15.0	0.0	0.0	15.0
Trade (Murabaha)	419.0	48.4	275.0	228.0	3,457.6
<b>Sub-Total</b>	<b>473.2</b>	<b>147.5</b>	<b>306.6</b>	<b>243.6</b>	<b>5,862.7</b>
<b>C. ITFC</b>					
Murabaha	4,937.9	5,774.7	4,690.2	6,429.7	60,718.2
<b>D. Others</b>					
ICD Funds	40.3	0.0	0.0	0.0	992.2
APIF	4.3	22.5	10.2	16.6	196.5
Economic Empowerment	0.0	0.0	1.0	1.6	2.6
STI	0.0	6.5	2.1	0.0	8.6
Special Assistance Operations	11.5	2.1	1.9	8.0	838.3
ISFD	85.3	92.9	33.2	61.3	1,115.3
Trust Funds	103.4	138.7	110.2	47.4	3,136.1
WAQF	20.3	12.3	12.3	8.4	772.8
Pre-ITFC trade (EFS, IBP, ITFO)	0.0	0.0	0.0	0.0	31,413.4
<b>Sub-Total</b>	<b>265.1</b>	<b>275.1</b>	<b>170.9</b>	<b>143.2</b>	<b>38,475.9</b>
<b>Grand Total</b>	<b>6,906.7</b>	<b>7,877.6</b>	<b>6,900.1</b>	<b>8,810.2</b>	<b>160,267.8</b>
<b>Memo:</b>					
<b>E: ICIEC Operation for the last five years and total since inception (\$ million)</b>					
	2018	2019	2020	2021	Grand Total <sup>2</sup>
New Commitments	4,836.7	4,525.8	3,854.5	3,076.4	52,987.1
Business Insured	9,030.3	10,864.3	9,860.4	9,797.4	83,309.5

<sup>1</sup> Cut-off date for data reported in this table was 31 December 2021.

<sup>2</sup> Cumulative approvals since inception in 1975.

Source: Economic Research & Statistics





# CONTACT US

Islamic Development Bank  
8111 King Khaled St  
Al Nuzlah Yamania  
Unit 1 Jeddah 22332-2444  
Kingdom of Saudi Arabia

☎ (+966-12) 6361400

📠 (+966-12) 6366871

✉ [idbarchives@isdb.org](mailto:idbarchives@isdb.org)

🌐 [www.isdb.org](http://www.isdb.org)



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