

**IsDB**  
البنك الإسلامي للتنمية  
Islamic Development Bank



**50**  
Cherishing our Past  
Charting our Future



# DEVELOPMENT EFFECTIVENESS REPORT 2023

"Cherishing our Past, Charting our Future:  
Originality, Solidarity and Prosperity"

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# ABBREVIATIONS

<b>ADER</b>	Annual Development Effectiveness Report	<b>MENA</b>	Middle East/North Africa
<b>ADFD</b>	Abu Dhabi Fund for Development	<b>MSME</b>	Micro, Small, and Medium Enterprises
<b>aRBM</b>	Adaptive Results-Based Management	<b>MSP</b>	Merit Scholarship Program
<b>BMGF</b>	Bill and Melinda Gates Foundation	<b>NGOs</b>	Non-governmental organizations
<b>COMCEC</b>	Standing Committee for Economic and Commercial Cooperation of the Organization of the Islamic Cooperation	<b>OCR</b>	Ordinary Capital Resources
<b>ECOSOC/ HLPF</b>	Economic and Social Council/High-level Political Forum on Sustainable Development	<b>OIC</b>	Organization of Islamic Cooperation
<b>FSRP</b>	Food Security Response Program	<b>OMS</b>	Operation Management System
<b>G20</b>	The Group of Twenty	<b>PCR</b>	Project Completion Report
<b>GDP</b>	Gross Domestic Product	<b>PIASR</b>	Project Implementation Assessment and Support Report
<b>GPEDC</b>	Global Partnership for Effective Development Co-operation	<b>PPF</b>	Public Provident Fund
<b>ICRC</b>	International Committee of the Red Cross	<b>PPP</b>	Public-Private Partnership
<b>ICT</b>	Information and Communications Technology	<b>QFFD</b>	Qatar Fund for Development
<b>IMF</b>	International Monetary Fund	<b>RBMF</b>	Results-Based Management Framework
<b>IsDB</b>	Islamic Development Bank	<b>SDGs</b>	Sustainable Development Goals
<b>ISFD</b>	Islamic Solidarity Fund for Development	<b>SERVE</b>	Strengthening the Economic Resilience of Vulnerable Enterprises
<b>IWP</b>	Integrated Work Program	<b>SMEs</b>	Small and Medium Enterprises
<b>KAAP</b>	King Abdullah bin Abdulaziz Program for Charity Works	<b>SPMC</b>	Scholarship Program for Muslim Communities
<b>KAHF</b>	King Abdullah Humanitarian Foundation	<b>SPRP</b>	Strategic Preparedness and Response Program
<b>KSRRelief</b>	King Salman Humanitarian Aid and Relief Center	<b>SSA</b>	Sub-Saharan Africa
<b>LDMCs</b>	Least Developed Member Countries	<b>UNGA</b>	The UN General Assembly
<b>LLF</b>	Lives and Livelihoods Fund	<b>WEF</b>	World Economic Forum
<b>MC</b>	Member Countries	<b>We-FI</b>	Women entrepreneurs Finance Initiative
<b>MCPS</b>	Member Country Partnership Strategy	<b>WEO</b>	World Economic Outlook
<b>MDBs</b>	Multilateral Development Banks		

# MESSAGE FROM THE PRESIDENT

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COVID-19's aftershocks, coupled with a tense geopolitical landscape, delivered a harsh blow to our Member Countries' economies. This one-two punch worsened food insecurity, pushed millions deeper into poverty, and saddled dozens with crushing debt. As if these problems were not enough, 2023 brought fresh challenges: the Eastern European crisis, soaring living costs, and tighter financial restrictions. These combined forces stifled the global economy, resulting in sluggish progress and painfully high inflation.

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The need for strong, results-driven policies in Islamic Development Bank (IsDB) Member Countries has never been more urgent. The international community must showcase the impact and value of their efforts. The G20's call for reforms in multilateral development banks echoes this need, as these institutions play a crucial role in tackling global challenges and boosting development effectiveness.

The IsDB prioritizes monitoring and reporting results, constantly aiming to maximize the impact of development on its Member Countries. Recognizing the need to stay relevant in addressing evolving challenges, the Bank learned from its past and strategically repositioned itself for the present. The Realigned Strategy (2023-2025) highlights social development as a powerful investment, one that builds human capital, boosts multiplier effects on local economies, and fosters inclusive growth and resilience, especially during crises.

The success of IsDB's strategy hinges on using evidence to guide its development efforts. Seeing results is crucial, which is why we created our Results-Based Management Framework in 2023. This system tracks progress effectively and ensures good governance by setting clear goals and measuring success.

But it is not just about accountability. We constantly learn, adapt, and make better choices based on data and evaluation findings, helping us understand what interventions make a difference, where they work best, and why. This allows us to tailor our support to the specific needs of each member country. We have a robust feedback loop, ensuring that lessons learned are woven into future. This keeps our operations effective, efficient, and laser-focused on delivering tangible results.

The IsDB's Realigned Strategy (2023-2025) is off to a great start. After completing the initial planning and preparation phases, 2023 marked the first year of active implementation. We made significant progress in core operations, approving US\$4.3 billion in financing – a 42% increase compared to the previous year. This momentum continues, and we are aiming to increase financing by another US\$0.5 billion in 2024, representing a further 13% growth.

Spanning across Sub-Saharan Africa, Asia & Europe, Latin America, and the Middle East & North Africa, our interventions tackle challenges in areas like clean and renewable energy, sustainable transport, agriculture, and rural development. We also invest in ICT, social infrastructure, urban development, water, and sanitation. By the end of 2023, our active portfolio grew to US\$27.4 billion, a 19.8% increase from US\$22.9 billion in 2022.

The IsDB Group stands resolute in times of distress. Whether it is a natural disaster, internal conflict, or health emergency, we swiftly deploy support and solidarity to our Member Countries in need. From delivering much-needed relief to assisting with long-term recovery, we are there every step of the way. But our commitment does not end there. In times of normalcy, we work hand-in-hand with Member Countries to develop and implement sustainable socio-economic plans, ultimately improving the lives and well-being of their people.

The IsDB is more than just a financial institution; it is a driving force in sustainable development. We meticulously track the results of our projects, ensuring they have the desired impact on people's lives. In 2023, for example, our projects made a significant contribution to nine of the UN's Sustainable Development Goals. These projects have not just reduced inequalities and created jobs; they have improved health, education, and overall quality of life for numerous people. That is the true power of development, and we are proud to be a part of it.

The IsDB takes its commitment to results, accountability, and transparency seriously. That is why we publish the Annual Development Effectiveness Report (ADER), a comprehensive stocktake for our stakeholders, including governments, partners, philanthropists, and more. It showcases the impact of our interventions across Member Countries and dives deep into the real difference it makes. The ADER offers valuable insights into our achievements on the ground and where we stand in the international development arena.















IsDB's commitment to results, accountability, and transparency is demonstrated by the development of IsDB's Annual Development Effectiveness Reports. The Annual Development Effectiveness Report aims to inform our stakeholders, including governments, development partners, philanthropists, non-governmental and civil society organizations, sukuk investors, private sector, and development practitioners, about the development effectiveness of the Bank's interventions. It highlights in an integrated manner the impact, outcomes, and developmental results of the Bank's interventions in its Member Countries. The report provides an insight into the results achieved on the ground and the Bank's standing in the international development landscape.



**Dr. Muhammad Al Jasser**  
Chairman, Islamic Development Bank  
(IsDB) Group

# SNAPSHOTS ON DEVELOPMENT PROGRESS IN MCs

Table 1: Macroeconomic Indicators in Member Countries

 SDG	 Indicator	 IsDB	 World	 Year	 Source
	Mortality rate, under-5 (per 1,000 live births)	45.5	38.1	2021	WB, WDI
	Maternal mortality ratio (per 100,000 live births)	262.9	223	2020	WB, WDI
	People using at least basic drinking water services (% of the population)	87.1	91.2	2022	WB, WDI
	People using safely managed sanitation services (% of the population)	44.6	56.6	2022	WB, WDI
	Gross enrollment ratio, secondary, total (%)	62.9	77.2	2013 - 2022	WB, WDI
	Government expenditure on education as % of GDP (%)	3.7	4.2	2020 - 2021	WB, WDI
	Gender Inequality Index (value) *	0.40	.465	2021	UNDP
	Labour force - 15+ - female (participation rate)	38.3	48.7	2023	UN ILO
	School enrollment, secondary, female (% gross)	67.8**	76.8	2022	WB, WDI
	Access to electricity (% of the population)	84.5	91.4	2021	WB, WDI
	Real GDP growth (% change) *	3.48	2.96	2023	IMF, WEO
	Exports of goods and services (% of GDP) *	29.39	30.96	2021 - 2022	WB, WDI
	The unemployment rate, total (% of the total labor force)	6.3	5.8	2022	WB, WDI
	Individuals using the internet (% of the population)	54.5	63.1	2021	WB, WDI
	Manufacturing, value added (% of GDP)	16.5	16.3	2022	WB, WDI
	Industry including construction, value added (% of GDP)	40.3	28.1	2022	WB, WDI
	CO2 emissions (per unit of GDP PPP) *	0.00022	0.000221	2022	GCA

\* RBMF Indicators

\*\* simple average of latest available data

Source of data is the ERS (Economic Research and Statistics Department) of the IsDB

Table 2: Key Results from projects/grants completed in 2023



Results



SDG

- 116k people in conflict/disaster areas provided livelihood services
  - 10K shelters built
  - 1.0 US\$ million per year is annual increasing in income of the Waqf beneficiary organization
- 
- Islamic finance products and services developed (number)
  - 84k tons of crop production increased
  - 9K tons of agriculture storage capacity built or upgraded
  - 11k tons of livestock production increased
- 
- 37 health facilities constructed
  - 175 beds added to hospitals
  - 340 health personnel trained
  - 100k people benefited from outpatient services per year
- 
- 41k students benefited
  - 267 educational institutions built, upgraded, or equipped
  - 20k teachers trained
- 
- 942k households accessed potable water supply
  - 184K households accessed improved sanitation
  - 44k households provided access to safe water supply systems
- 
- 72 Kilometer of Transmission lines installed,
  - 1,670 MW of electricity generated
- 
- 25k people employed
  - 273k people trained
  - 185k people accessed microfinance
- 
- 809 km of local/rural roads built
  - 500 km of Expressways/highways built



Figure 1: Trends of Active Portfolio at Year-ends

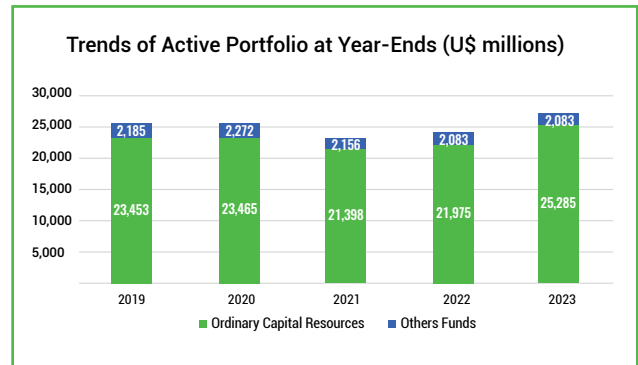


Figure 2: OCR Approvals in 2023 by Region

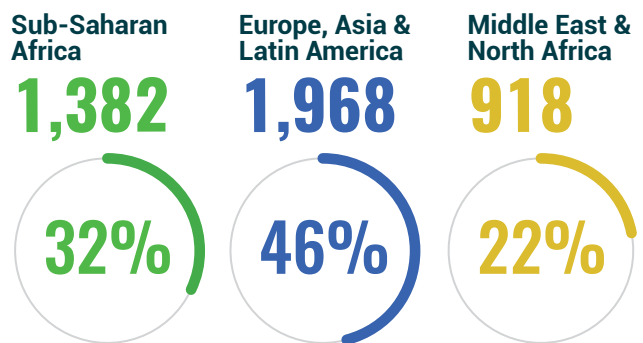


Figure 3: OCR Disbursements and Ratio

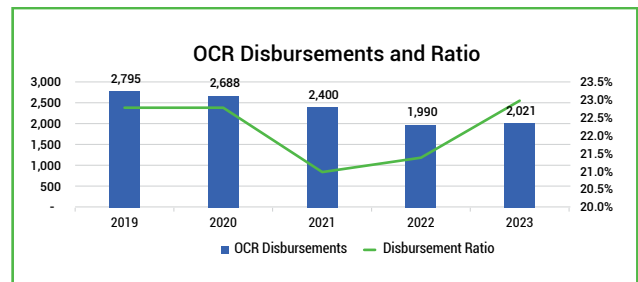
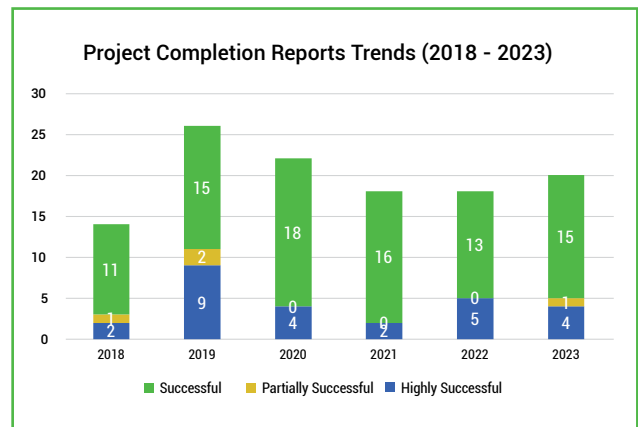



Figure 4: Project Completion Reports Trends (2018-2023)



# EXECUTIVE SUMMARY

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In the aftermath of the global geopolitical situation impacted by the war in East Europe combined with the after-effects of Covid-19, the developmental landscape of the MCs remained under stress in 2023. This resulted in revised forecasts of the growth of most of the MCs. This was evident due to the adverse effects of multi-dimensional factors faced by the MCs in a high reference rate environment.



**IsDB MC's macroeconomic situation in 2023:** The economic growth outlook for Islamic Development Bank (IsDB) Member Countries (MCs) indicates a deceleration, with a forecasted decrease from 5.7 percent in 2022 to 3.3 percent in 2023, followed by a modest acceleration to 3.9 percent in 2024. Moreover, the economic growth projections consider the challenging external economic conditions impacting many MCs, including heightened inflation rates, supply chain disruptions stemming from geopolitical conflicts, and a downward trajectory in commodity prices, particularly oil, given the heavy reliance of several MCs on commodity exports. The anticipated growth rates of 3.3 percent and 3.9 percent for 2023 and 2024 in IsDB MCs surpass the projected world average of around 3 percent for the corresponding years. Despite the prevailing external challenges, the IsDB MCs demonstrate resilience, positioning their economies for comparatively stronger growth in the coming years.

**IsDB's response to the MC's needs:** The IsDB is in its quest to be responsive to the emerging needs of the MCs stemming from the food security challenges, rising fuel prices, high inflation, climate change, and supply chain disruptions, reinvigorated its strategy in the form of the IsDB Realigned Strategy 2023-2025. This was endorsed by the BoG in the Annual Meeting held in Sharm El-Sheikh in 2022. It has three focus areas namely: (i) Boosting recovery; (ii) Tackling poverty and building resilience; and (iii) Driving green economic growth. Hence, these aspects have been embedded in the Bank's Integrated Work Program in the form of the development of the Operations and Administrative Work Programs.

**Monitoring of the Realigned Strategy 2023-2025:** The Bank is cognizant of the implementation challenges of the strategy, as the process entails three phases. The first two

phases, Phase I and Phase II were successfully completed by the end of 2023. Phase I involved development of the Realigned Strategy by drawing up lessons learned from various workstreams: an assessment of the 10YS; an analysis of the Bank's policies, programs, and operations; a comparative analysis of selected comparator multilateral development banks (MDBs); and a review of the Global Development Agenda (the Organization of Islamic Cooperation (OIC) 2025 Action Plan, the 2030 Agenda for Sustainable Development, and the evolving Climate Change Agenda).

For Phase II, Strategy Implementation Preparation & Readiness, the areas of interest to ensure operational readiness are largely captured by the Strategy's Key Enablers, namely: People, Institution, Culture and Governance. Some of the milestones in this regard included the following: Developing the Integrated Work Program (IWP) for 2023-2025; developing a Results-Based Management Framework (RBMF); implementing an Organizational Realignment as well as related HR initiatives; adopting a Communication Action Plan to raise awareness about the Strategy; executing a revamped Member Country Partnership Strategy (MCPS) formulation process; enhancing the Operations Business Delivery Model; and revising the Organizational Manual, Charters of the Management Committees, and the Business Processes.

Phase III of the Realigned Strategy is about the implementation and was formally launched on January 1, 2023, hence this was the first year, whereby some major initiatives were operationalized, which includes the IWP (Integrated Work Program) and RBMF (Results-based Management Framework), whereas new initiatives were launched such as the Cultural Model, developing a Resource Mobilization Framework and Group Synergy.



**The economic growth projections consider the challenging external economic conditions impacting many MCs, including heightened inflation rates, supply chain disruptions stemming from geopolitical conflicts, and a downward trajectory in commodity prices, particularly oil, given the heavy reliance of several MCs on commodity exports.**



The year marked the operationalization of the IWP (Integrated Work Program), which has details of the operations and administrative work programs.



Against a target of seven (7) MCPs (Member Country Partnership Strategy) and CEFs, (Country Engagement Frameworks), nine (9) MCPs & CEFs have been completed in 2023.



To equip the Bank with the skills needed to deliver the strategy in an efficient and effective manner the Bank launched upgrading of the current cultural model. This is being carried out through a twelve (12)-month Culture Refresh Program.



A task force was developed by having participation from relevant business units with the objective of exploring opportunities to develop new products. In this regard a report has been prepared proposing solutions to the challenges faced in existing modes of finance.



Having a resource mobilization framework in place was a prerequisite to pursue the Bank's aspirations to enhance the resource mobilization efforts. Hence a draft Interim RM (Resource Mobilization) Guiding Framework has been developed to guide the Bank's efforts in this arena.









Since the adoption of the GSA (Group Synergy Enhancement Agenda), the IsDB Group has made progress towards enhancing Group synergy on several fronts.

The report is structured around the four levels of the RBMF as shown below:



**Table 3: Results-based Management Framework (RBMF) Structure and Levels**

 <b>Level</b>	 <b>Brief Definition</b>
 <b>Level 1:</b> Development Goals	Country-level economic and social development indicators
 <b>Level 2:</b> Development Results	IsDB's contribution to the MCs (Member Countries) sectoral and thematic priorities in terms of project outputs and intermediate outcomes.
 <b>Level 3:</b> Operational Effectiveness	IsDB operational performance indicators and quality of project operations at entry, during implementation, and at completion.
 <b>Level 4:</b> Organizational Efficiency	The quality of financial management, compliance, human resource, procurement, information technology, and administrative services.

**RBMF – Level 1 Indicators (Goals) and SDGs:** As of 2023, IsDB MCs have achieved an overall SDGs score of 62.6, indicating that, collectively, they have made strides slightly more than 60 percent of the 17 SDGs. While this score suggests progress, it also signals the need for accelerated efforts if IsDB MCs are to meet the 2030 SDGs targets. The classification of SDGs achievements in IsDB MCs provides a nuanced understanding of their progress. Encouragingly, none of the SDGs within the IsDB portfolio falls below the Unsatisfactory category, indicating that none have achieved below 40 percent of their respective targets. However, nine out of the 17 SDGs fall into the “Fair” category, reflecting achievements ranging from 40 to 60 percent.

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**RBMF – Level 2 Indicators (Developmental Results):** In this report results of 48 completed projects in 2023 have been captured. The report also captures the planned results from 40 approved projects in 2023. Special attention has been paid to the major projects and their **“In the Spotlight”** has been provided in the document, based on their developmental effectiveness impact, and efficiencies.



**As of 2023, IsDB MCs have achieved an overall SDG score of 62.6, indicating that, collectively, they have made strides slightly more than 60 percent of the 17 SDGs. While this score suggests progress, it also signals the need for accelerated efforts if IsDB MCs are to meet the 2030 SDGs targets.**

Like the Strategic Preparedness and Response Program (SPRP), which was launched by the IsDB in 2021 to provide support to the Member Countries during the Covid-19 pandemic, the Bank launched the Food Security Response Program (FSRP) in 2023 in a timely manner to respond to the food security challenges faced by the MCs. This indicates the Bank’s proactive approach to staying relevant and being responsive to the critical challenges facing the MCs. In this regard, the IsDB Group endorsed a US\$10.54 billion comprehensive Food Security Response Program (FSRP) package.

The objective of the Program is to support the Member Countries by complementing their national food security efforts in averting the ongoing food crisis and strengthening their resilience to future food security shocks. The total amount of financing approved by IsDB Group, (by the end of year 2023) stands at US\$4.6 billion, representing 44% of the pledged amount under approvals (US\$10.54 billion), the accelerated disbursements under On-going operations reached US\$0.58 billion has been disbursed representing 34% of the IsDB’s planned disbursement amount of US\$1.7 billion disbursed for ongoing projects within the FSRP scope.

The Bank’s new approvals in 2023 are expected to bring promising developmental results to the Member Countries and Muslim communities around the world. The following are some of the major highlights of key results once these operations are completed.

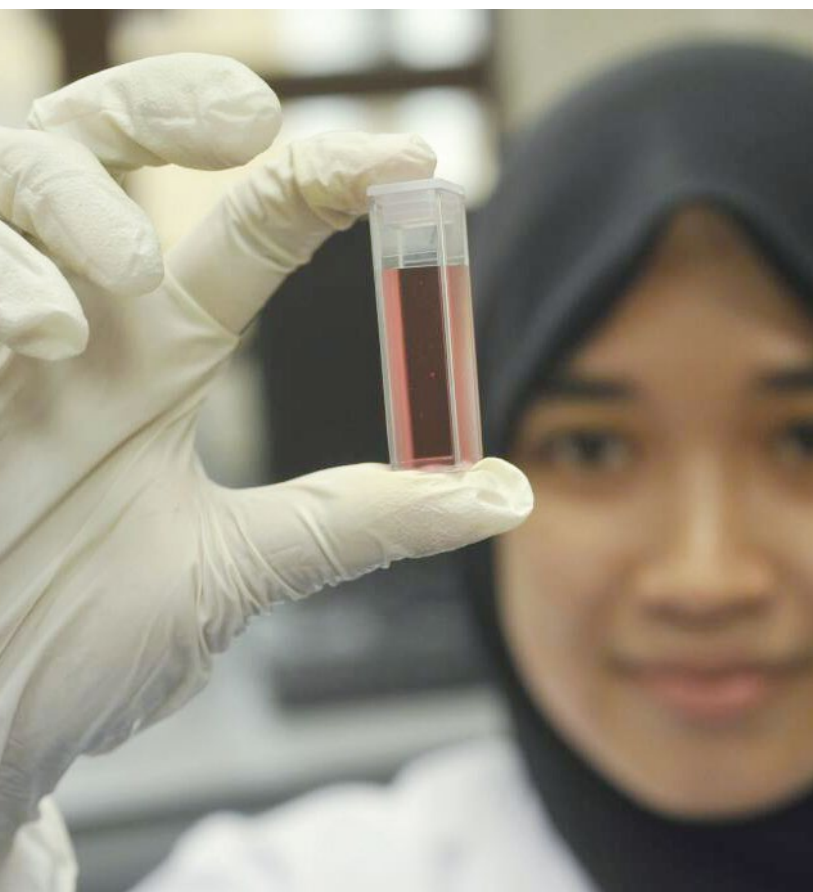


Figure 5: Major Planned Results from Projects Approved in 2023

EXPECTED RESULTS FROM PROJECTS APPROVED DURING 2023



\*The blue box indicates the human factor (people)





**RBMF – Level 3 and Level 4 Indicators (Operational effectiveness and organization efficiencies):**

These indicators focus on the internal effectiveness and efficiencies of the Bank. Operational effectiveness drives the delivery of operational projects in a timely and efficient manner and hence plays a significant role in the achievement of results. As the theory of change concept has been used in the development of RBMF, the causal nature of these KPIs is designed to improve the developmental results and the developmental goals in the MCs. There are 37 corporate-level indicators in the RBMF, however, the major operational performance measures included in the report are: (i) Operations approvals; (ii) Resource mobilization; (iii) Member Country Partnership Strategy (MCPS) Updates (iv) Financial performance; and (v) Building human capital.

**Operations Work Program 2023 Performance:** This was ensured by an effective project implementation in the form of management of 379 projects by the end of 2023. This was complemented by the approval of 40 new projects. At the end of 2023, the operations approvals stood at US\$ 4.3 billion.

**Member Country Partnership Strategy (MCPS):** Against a target of eight (8) MCPSs (Member Country Partnership Strategy) and CEFs, (Country Engagement Frameworks), nine (9) MCPSs & CEFs have been completed in 2023. This includes Guyana, Pakistan, Tajikistan, Azerbaijan, Bangladesh, Kyrgyzstan, Qatar, Benin, the Gambia.

**Amount of Grant Resources Mobilized in US\$ (Million):**

Building partnerships and mobilizing resources are priority areas for the Bank. The resource mobilization efforts were carried out to the tune of US\$146.5 million with various partners such as Probase for Reverse Linkage, BAPPENAS, Indonesia for South-South and Triangular Cooperation, Serunai for Reverse Linkage, King Abdullah Humanitarian Foundation, Turkish Red Crescent (Kizilay), and Qatar Charity.

**Financial Performance:** The Bank's financial performance was strong in 2023 with OCR's net income of ID316.7 million reported in 2023, which was 83% higher when compared to 2022's net income of ID173.1 million. The Bank also successfully maintained the AAA rating KPI as all four international credit rating agencies, namely S&P, Fitch, and Moody's, along with MARC have reaffirmed the AAA rating of the Bank in 2023.

**Building Human Capital:** The Islamic Development Bank (IsDB) launched a 12-month culture refresh program starting August 2023 to reinvigorate its institutional culture, ensuring that leaders and staff embrace mindsets, values, and behaviors aligned with the organization's realigned strategy.



CHAPTER

# 01

## INTRODUCTION



## 1.1 OBJECTIVE OF ADER

The Bank has been publishing ADER since 2017. These reports are available under the publication section of the Bank's website. The ADER is one of the Bank's major flagship publications that provides the consolidated results from the Bank's interventions across the spectrum of all its modes of finance. The results are generated from public finance, public-private partnership, and grants operations. The ADER celebrates the achievements in the form of results from completed projects and planned results from new projects approved during the year.

The Bank follows the tradition of other MDBs (multilateral development banks), most of whom are publishing similar development effectiveness reports annually across the tiers of their results frameworks. The report's primary audience are spread across a diverse range of stakeholders including the Member Countries' Governors' offices, relevant ministries, executing agencies, NGOs and CSOs, private sector, philanthropists, donor agencies, other MDBs, IFIs, investment banks and beneficiaries.

The ADER provides an assessment of the Bank's effectiveness in bringing desired developmental results to its Member Countries and Muslim communities around the world.

- The report is designed in a manner to reflect the Realigned Strategy map across the three strategic objectives (Boosting recovery, tackling poverty and building resilience, and driving green economic growth), and two strategic pillars (Green, resilient and sustainable infrastructure and Inclusive human capital development). Each section highlights the results achieved from the completed projects and grants and the planned results from the new projects and grants approved in the year.
- The report leverages the four pillars of the Results Based Management Framework (RBMF) to organize the narrative and the sections of the report. The report highlights the progress made against the four levels of the RBMF during the year 2023, and as such the chapters of the reports correspond to these pillars.

This report is one of the suites of reports prepared by the Bank and should be read with other reports and tools developed. Each report has its clear scope. ADER focuses on the development effectiveness aspects of the Bank.

These reports are:

- Annual Development Effectiveness Report (*Reports on the development effectiveness and aggregated results of the Bank's interventions*).
- Annual Evaluation Report (*Assesses the relevance, effectiveness, efficiency, sustainability, and other critical aspects of IsDB's interventions*)
- Annual Report. (*The Bank's yearly report documenting the organizational activities and financing aspects*).





## 1.2 BANK'S STRATEGIC DIRECTION

The Islamic Development Bank (IsDB)' Board of Governors (BoG), during the Governors' Roundtable held at the 46th Annual Meetings of IsDB Group in Tashkent, Uzbekistan in September 2021, requested the Bank to realign its strategy to become more responsive to the increasing development needs and evolving priorities of its 57 Member Countries (MCs) magnified by the Covid-19 Pandemic and its negative consequences on the global economic and financial contexts.



The Bank undertook the Strategic Realignment 2023-2025 by reviewing its existing 10-Year strategy (10YS) adopted in 2014 to realign it with MCs' current development priorities.

In such a challenging global context, the Bank undertook the Strategic Realignment 2023-2025 by reviewing its existing 10-Year strategy (10YS) adopted in 2014 to realign it with MCs' current development priorities.

This resulted in the development of the Realigned Strategy, which was endorsed by the BED on June 3, 2022, by the Board of Governors at the 47th Annual Meetings of IsDB Group in Sharm Elsheikh, Egypt, under the title: "IsDB Strategic Realignment (2023-2025): Promoting Comprehensive Human Development and Sustainable Infrastructure".

There are three (3) phases of the Realigned Strategy, namely: (i) Strategic Overhaul and Realignment; (ii) Strategy Implementation Preparation & Readiness, and (iii) Strategy Roll-out.

**Phase I** was designed towards ensuring the development of the Realigned Strategy. A Steering committee, a strategy core team, and six working groups were formed to oversee the Strategic Realignment exercise. In addition, extensive consultations with the Bank staff and MCs were conducted. This comprehensive exercise laid the foundations of the development of the Realigned Strategy (2023-2025).

Toward a seamless implementation of the realigned strategy, in early 2023 IsDB launched Phase II of the exercise to ensure institutional readiness in various aspects related to the Bank's organizational structure, human resources, culture, systems, processes, etc. To this end, the Bank's different business units worked collectively to achieve some key initiatives.

In this context, **Phase II** was structured around the readiness and preparedness measures taken prior to the launching of the Realigned Strategy that became effective in January 2023. These aspects of preparation and readiness are largely



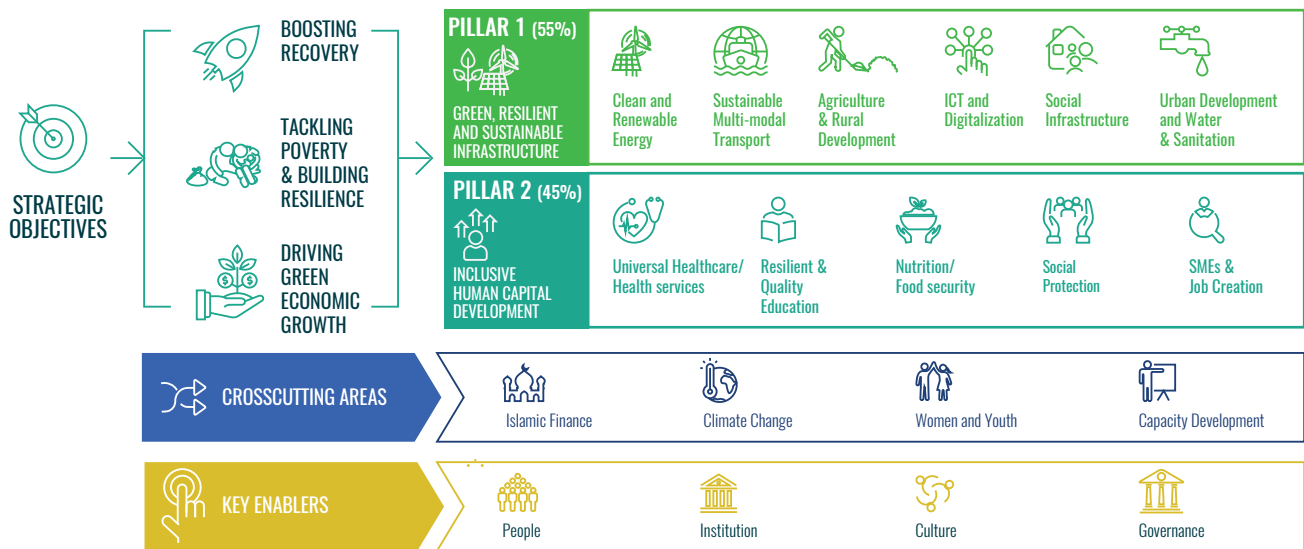
captured by the “Key Enablers,” including People, Institution, Culture and Governance of the Realigned Strategy as shown in Figure 6 below.

For the **Phase III**, three Work Streams have been planned, and each Work Stream has its own strategic initiatives which include: (i) internalizing Realigned Strategy into the Bank’s programming and project cycles; (ii) deep rooting the strategy into the Bank’s cultural model; and (iii) leveraging the IsDBG value proposition through developing new

financing instruments to enhance resource mobilization while promoting Group Synergy.

The Bank approved operations approval amounting to US\$4.3 billion in 2023. As shown below in, *Strategic Allocation of the IsDB’s Operations Approval by Sectors of the Realigned Strategy (2023-2025)*, the strategy has been operationalized through operations approvals in the Pillar 1 (Green Resilient and Sustainable Infrastructure) and Pillar 2 (Inclusive Human Capital) representing 55% and 45% respectively.

**Figure 6: Strategic Alignment of the IsDB’s Operations Approval in 2023 by Sector on the Realigned Strategy (2023-2025)**



### 1.3 METHOD AND LIMITATIONS

Progress on socio-economic indicators is analyzed from data sources maintained by international organizations such as the World Bank and the IMF. Aggregations at Member Countries and regions are calculated in-house.

The results are aggregated by sector, SDGs, and regions. The results generated by the Bank’s interventions are recorded at the time of project approvals or physical completion of the projects in the Operation Management System (OMS) by the Operations team. The report assumes that all the appropriate due diligence (compliance, quality, data accuracy, data integrity, validation) has been carried out at the time of reporting these results at the project level.

The Core Results Indicators (CRIs) are the only indicators reported in the ADER which represent a subset of a bigger list of indicators used in the Logical Framework of projects. The results are aggregated, analyzed, and verified by the

Project Completion Reports (PCRs) whenever available. Due to limitations of level 1 indicators consolidation at the macroeconomic level, a sample of these indicators have been used.

The report claims no attribution to the Level 1, impact indicators as per the standard practice of the MDBs. Level II results indicate the Bank's contribution towards attaining project outcomes where other co-financiers have also contributed financially and hence no attribution is claimed solely to the Bank in these co-financed projects.

This report is not about the RBMF as a separate detailed document has been prepared and was presented to the BED during the IWP 2023 cycle.

CHAPTER

# 02

## DEVELOPMENT PROGRESS IN MEMBER COUNTRIES (LEVEL 1)



## 2.1 ECONOMIC GROWTH AND FORECAST IN ISDB MEMBER COUNTRIES

The economic growth outlook for Islamic Development Bank (IsDB) Member Countries (MCs) indicates a deceleration, with a forecasted decrease from 5.7 percent in 2022 to 3.3 percent in 2023, followed by a modest acceleration to 3.9 percent in 2024.

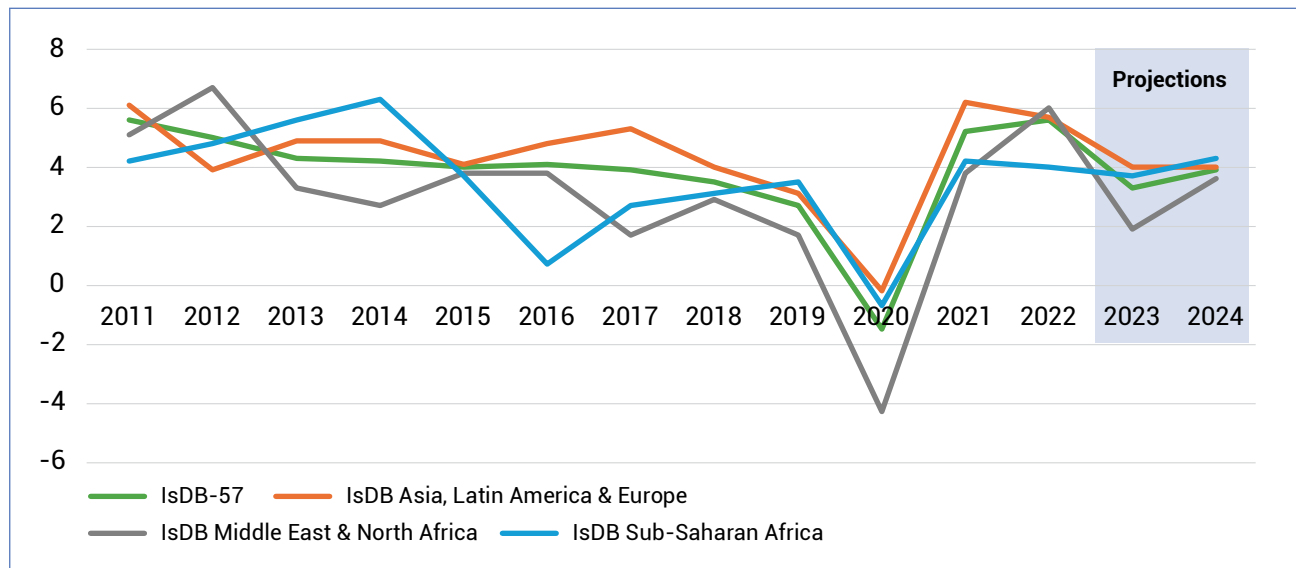
In 2023 and 2024, non-fuel exporting MCs are anticipated to remain significant contributors to economic growth, with projected growth rates of 4.2 percent and 3.9 percent, respectively. Despite this, there is a noticeable deceleration from the 5.7 percent growth observed in 2022. Similarly, fuel exporting MCs are expected to experience a decline in growth, dropping to 2.3 percent in 2023 from the 5.3 percent recorded in 2022. This is attributed to the decrease in oil prices in global financial markets. However, a rebound is expected, with the average economic growth in fuel exporting MCs projected to rise to 3.4 percent in 2024. These predictions highlight the contrasting trajectories between non-fuel and fuel exporting MCs, underscoring the impact of global market conditions, particularly in the energy sector, on their respective economic performances.

Moreover, the economic growth projections take into account the challenging external economic conditions impacting many MCs, including heightened inflation rates, supply chain disruptions stemming from geopolitical conflicts, and a downward trajectory in commodity prices,

particularly oil, given the heavy reliance of several MCs on commodity exports. The anticipated growth rates of 3.3 percent and 3.9 percent for 2023 and 2024 in IsDB MCs surpass the projected world average of around 3 percent for the corresponding years. Despite the prevailing external challenges, the IsDB MCs demonstrate resilience, positioning their economies for comparatively stronger growth in the coming years.

The economic growth projections for various regional groups of IsDB MCs depict dynamic trends. In the Asia, Latin America, and Europe region, there is a projected deceleration from 5.7 percent in 2022 to a growth rate of 4 percent in 2023 and 2024. Meanwhile, the Middle East and North Africa (MENA) region is anticipated to experience a significant deceleration, dropping from a growth rate of 6 percent in 2022 to 1.9 percent in 2023, with a subsequent acceleration to 3.6 percent in 2024. The ongoing escalation of conflicts in the Middle East including unrest in Gaza poses a potential threat to the economic outlook of the MENA region. In the Sub-Saharan Africa (SSA) region, there is a projected deceleration from a growth rate

Figure 7: Real GDP Growth (% change)



Source: IsDB Economic Research and Statistics (ERS) calculations based on IMF-WEO October 2023



of 4 percent in 2022 to 3.7 percent in 2023, followed by an acceleration to a growth rate of 4.3 percent in 2024. These diverse growth trajectories underscore the complex economic dynamics across different regions of IsDB MCs.

In 2022, all IsDB Member Countries experienced positive economic growth, except for Libya, Sudan, and Brunei. Guyana led with the highest growth rate at 62.3%, driven by substantial offshore oil reserves expected to significantly expand the economy. Following were Maldives (13.9%), Niger (11.9%), Kuwait (8.9%), Saudi Arabia (8.7%), and Malaysia (8.7%). Guyana's per capita oil output is poised to become the world's highest due to extensive offshore discoveries. In contrast, Libya contracted by 9.6%, Sudan by 2.5%, and Brunei by 1.6% in 2022. Other Member Countries with comparatively lower growth rates included Suriname (1.0%), Morocco (1.3%), Burkina Faso (1.5%), and Yemen (1.5%).



**Table 4: IsDB MCs with highest real GDP growth for 2022 (Percent)**

Member Country	2022 (Actual)	Projection	
		2023	2024
Guyana	62.3	38.4	26.6
Maldives	13.9	8.1	5.0
Niger	11.9	4.1	11.1
Kuwait	8.9	-0.6	3.6
Saudi Arabia	8.7	0.8	4.0
Malaysia	8.7	4.0	4.3
Tajikistan	8.0	6.5	5.0
U.A.E.	7.9	3.4	4.0
Bangladesh	7.1	6.0	6.0
Iraq	7.0	-2.7	2.9

Source: IMF-WEO October 2023

**Table 5: IsDB MCs with lowest real GDP growth for 2022 (Percent)**

Member Country	2022 (Actual)	Projection	
		2023	2024
Libya	-9.6	12.5	7.5
Sudan	-2.5	-18.3	0.3
Brunei	-1.6	-0.8	3.5
Suriname	1.0	2.1	3.0
Morocco	1.3	2.4	3.6
Burkina Faso	1.5	4.4	6.4
Yemen	1.5	-0.5	2.0
Turkmenistan	1.6	2.5	2.1
Somalia	2.4	2.8	3.7
Jordan	2.5	2.6	2.7

Source: IMF-WEO October 2023

## 2.2 PROGRESS TOWARDS SUSTAINABLE DEVELOPMENT GOALS

The United Nations' Sustainable Development Goals (SDGs) represent a universal call to action to end poverty, protect the planet, and ensure prosperity for all by 2030. For IsDB Member Countries (MCs), which include many developing nations, these goals carry immense significance as they offer a roadmap to inclusive and sustainable socioeconomic development. The assessment of how far IsDB MCs have progressed in achieving the SDGs is crucial in understanding their developmental landscape.

Measuring progress towards the SDGs in IsDB MCs is not merely an academic exercise but a practical necessity. These goals encompass a broad spectrum of developmental objectives, including eradicating poverty, ensuring quality education, promoting gender equality, and combating climate change. Therefore, assessing progress provides valuable insights into the well-being of societies, the health of economies, and the state of the environment.

As of 2023, IsDB MCs have achieved an overall SDG score of 62.6, indicating that, collectively, they have made strides slightly more than 60 percent of the 17 SDGs (Figure 8).

While this score suggests progress, it also signals the need for accelerated efforts if IsDB MCs are to meet the 2030 SDG targets.

The classification of SDG achievements in IsDB MCs provides a nuanced understanding of their progress. Encouragingly, none of the SDGs within the IsDB portfolio falls below the Unsatisfactory category, indicating that none have achieved below 40 percent of their respective targets. However, nine out of the 17 SDGs fall into the "Fair" category, reflecting achievements ranging from 40 to 60 percent.

Additionally, six SDGs—SDG 1 (No Poverty), SDG 4 (Quality Education), SDG 8 (Decent Work and Economic Growth), SDG 10 (Reduced Inequality), SDG 14 (Life Below Water), and SDG 15 (Life on Land)—achieve "Satisfactory" levels of progress, demonstrating attainments between 60 to 80 percent. Notably, two SDGs signify "Very Satisfactory" achievements—SDG 12 (Responsible Consumption and Production) and SDG 13 (Climate Action), both boasting accomplishments exceeding 80 percent.

Figure 8: 17 SDGs and 5Ps



Source: IsDB Institute "Reaching the SDGs: Progress of the IsDB Member Countries, 2023"





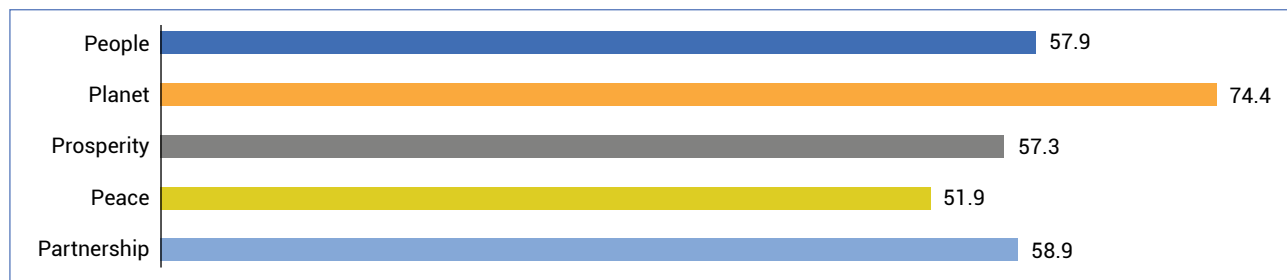
Figure 9: IsDB MCs SDGs Achievement by 17 Goals, 2023



Source: IsDB Institute "Reaching the SDGs: Progress of the IsDB Member Countries, 2023"

When examining progress through the lens of the 5Ps dimensions (People, Planet, Prosperity, Peace, and Partnership), the most substantial challenges for IsDB MCs emerge in the Peace dimension (Figure 9). This dimension scores the lowest due to conflicts and fragile situations in some MCs. Conversely, IsDB MCs exhibit relatively better performance in the Planet dimension, driven by notable achievements in SDG 12 (Responsible Consumption and Production) and SDG 13 (Climate Action). This performance may be linked to the level of development in these countries and the consequent environmental implications.

Figure 10: IsDB MCs SDGs Achievement by the Five Dimensions (5Ps), in 2023



Source: IsDB Institute "Reaching the SDGs: Progress of the IsDB Member Countries, 2023"

Despite disparities, certain commonalities among IsDB MCs' progress and challenges emerge. The most challenging SDG, SDG 9 (Industry, Innovation and Infrastructure), takes precedence as a top priority for 25 MCs. Substantial progress is required in this area because industry, innovation, and infrastructure serve as fundamental drivers of economic growth and prosperity. The second most challenging SDG is SDG 5 (Gender Equality), highlighting the gender gap and the necessity of promoting women's empowerment across IsDB MCs. On a positive note, SDG 12 (Responsible Consumption and Production) and SDG 13 (Climate Action) shine with exceptionally high scores. More than 85 percent of MCs achieve "Very Satisfactory" progress, with accomplishments exceeding 80 percent of their targets.

In conclusion, while IsDB Member Countries have made significant progress towards the SDGs, substantial challenges remain on the path to achieving the 2030 targets. These challenges encompass diverse dimensions, from economic infrastructure to gender equality and environmental sustainability. IsDB's role as a financial institution and development partner is paramount in supporting MCs to overcome these roadblocks and continue making progress towards the SDGs. As we move forward, IsDB and its partners must focus on accelerating progress in the most challenging areas, ensuring that no one is left behind in the journey towards a more sustainable, equitable, and prosperous future for all IsDB Member Countries.

## **2.3 EFFECT OF FOOD CRISIS ON MCS**

The concepts of food security and hunger are closely linked. Food security denotes a state where "all people, at all times, have physical and economic access to sufficient, safe, and nutritious food that meets their dietary needs and food preferences for an active and healthy life."<sup>1</sup> It encompasses four dimensions: availability, accessibility, utilization, and stability. On the other hand, hunger refers to "food deprivation or undernourishment", where people are living on less than 1,800 calories a day.<sup>2</sup> These definitions distinguish food security as a structural concept, while hunger is an experiential outcome.

In situations where food security is compromised, the risk of hunger becomes imminent. This underscores the interconnectedness of these concepts, where disruptions to the structural aspects of food security have direct



repercussions on the lived experience of hunger. The COVID-19 pandemic and the East European crisis have substantially impacted food security, posing a significant threat of severe hunger in affected populations. The convergence of these adverse events contributes to the worsening global food security situation, as evidenced by the Global Food Security Index (GFSI) for 2022. A significant driver of this deterioration is the escalation of food prices.

The count of individuals experiencing a food crisis, where data was accessible, surged by 29.4 million—rising from 175.6 million in 2021 to 205.1 million in 2022. According to the latest forecasts from the World Food Program, an estimated 345.2 million people will grapple with food insecurity in 2023, surpassing more than double the number recorded in 2020. This distressing statistic encompasses over 900,000 individuals globally, living in conditions akin to famine<sup>3</sup>.

1. This widely accepted definition was adopted at the World Food Summit in 1996 [Food and Agriculture Organization (FAO), 1996].

2. Action Against Hunger, "World Hunger: Key Facts and Statistics 2022".

3. World Food Program (WFP), Global Hunger Crisis



Urgent global collective action is imperative to avert additional disruptions to the global food supply. The ongoing impact of the Covid-19 pandemic and the East European crisis is exacerbating acute food insecurity, affecting even nations that were not previously food insecure. This is particularly evident in net-food-importing, low-income countries, and oil-importing countries.

Accordingly, the Islamic Development Bank Group is adjusting its approach to address the evolving food security situation in its Member Countries. Aligned with its Realigned Strategy 2023-2025, the focus will be on developing green, resilient, and sustainable infrastructure to address the key dimensions of food security: availability, affordability, accessibility, and stability. In line with this strategy, the IsDB Group has introduced a comprehensive Food Security Response Program (FSRP) package, totaling US\$10.54 billion, to finance its initiatives in this crucial area.

### Drivers of Food Insecurity

As per the information outlined in the Global Report on Food Crisis (GRFC) 2022<sup>4</sup>, millions of individuals facing acute food insecurity are located in Africa, the Middle East, and Asia – significant regions for the IsDB. Over the past few decades, primary contributors to food insecurity have been conflict, insecurity, climate change-induced weather shocks, and economic uncertainties. In the year 2022, conflict and insecurity continued to be the predominant factors leading to food crises in numerous countries, including those within the IsDB Member Countries (MCs). Simultaneously, extreme weather events and economic shocks are increasingly becoming notable drivers of food crises.

As of the conclusion of 2021, the global estimate for internally displaced individuals stands at 59.1 million<sup>5</sup>. Within this total, approximately 53.2 million people across 59 countries and territories are displaced as a result of conflict and violence, while the remaining are displaced due to disasters. Specifically, within IsDB Member Countries (MCs), the count of conflict and disaster-displaced individuals reached around 35 million in 2021, marking an increase of approximately five million since 2019. Notably, certain MCs like Türkiye, Lebanon, Jordan, and Uganda play host to substantial refugee populations, a consequence of conflicts in neighboring countries. This underscores the existence of spillover effects, extending the impact of conflicts even into nations not directly experiencing such conflicts.



**The Islamic Development Bank Group is adjusting its approach to address the evolving food security situation in its Member Countries. Aligned with its Realigned Strategy 2023-2025**

4. GRFC 2022 is the result of a joint, consensus-based assessment of acute food insecurity situations around the world by 16 partner organizations..

5. Global Internal Displacement Database, 2021.

### Food Supply-Demand Dynamics

The post-Covid-19 era presents the challenge of not only recovering lost ground but also returning to the pre-pandemic trajectory of addressing hunger and ensuring food security. The disruptive effects of the East European crisis underscore the need for countries to prioritize food resilience, anticipating and mitigating the impacts of external disruptions. Russia and Ukraine, key players in global wheat and sunflower oil production, collectively contribute to 14 percent of world wheat production, 30 percent of global wheat exports, and 60 percent of global sunflower oil production. Disruptions in cereal production and exports from these countries due to the East European crisis posed a threat to global cereal availability and led to significant grain price hikes.

### IsDB MCs' Food Security Map and Implications for IsDB

Food vulnerability is a comprehensive metric that gauges the susceptibility of MCs to food trade, their reliance on cereal imports, their standing on the global hunger index, and the magnitude of severe food insecurity within the nation. The classification of a country as highly vulnerable hinges on the presence of a substantial population facing severe food insecurity, coupled with elevated food deficit and a significant dependency on cereal imports. Such

nations are typically categorized among those grappling with high hunger situations.

Conversely, food resilience encapsulates the inherent potential and capacity of a Member Country to enhance food security, considering financial strength, climatic conditions, and agricultural activity. Financial resilience is quantified by net external financing needs (% of GDP), climate resilience is evaluated through precipitation patterns, and agricultural activity resilience is measured by the proportion of arable lands (% of total lands) and the percentage of arable lands equipped with irrigation systems.

The findings indicate that numerous IsDB Member Countries exhibit elevated levels of food vulnerability, with ten of these countries facing this vulnerability alongside diminished food resilience. These nations need vigilant monitoring for potential emergency assistance. MCs characterized by high food vulnerability and moderate food resilience are also recommended for close monitoring.

In terms of population impact, out of the 152 million individuals experiencing severe food insecurity across 28 MCs, a substantial 112 million reside in MCs with high food vulnerability. Furthermore, 93 million of these individuals come from MCs characterized by both high food vulnerability and moderate to low food resilience. Conversely, MCs with relatively robust food resilience and low food vulnerability, such as Azerbaijan, Malaysia, Suriname, Türkiye, and Guyana, possess the potential to offer food support to other MCs facing risks.

The rapidly escalating food prices pose a looming threat of pushing numerous low-income households into a state of starvation. Wealthier IsDB Member Countries are relatively insulated, relying on global food supply chains to meet their citizens' needs, and afforded by their financial capabilities. In contrast, low-income MCs encounter significant challenges, depending on global supply chains while grappling with diminishing purchasing power. Intriguingly, many of these low-income MCs possess ample arable lands and favorable precipitation levels. However, their agricultural output remains low due to limited technological innovations, including the absence of efficient irrigation systems that could mitigate the reliance on erratic rainfall.

In the short term, countries experiencing alarming hunger situations require urgent food assistance. The estimated count of individuals facing severe food insecurity serves as a guide for quantifying the proposed financial support for MCs in dire food insecurity. Looking ahead, the agricultural sector could be bolstered through a regional approach, incorporating advancements in technology, such as irrigation systems, to fortify long-term food resilience across MCs.





CHAPTER

# 03

## **DEVELOPMENTAL RESULTS OF THE BANK'S OPERATIONS (LEVEL 2)**





The planned key results described in this chapter are captured from 40 projects and 158 grants and trust fund operations approved during 2023, whereas the actual results are extracted from 48 projects and 138 grants completed during 2023.

**Note: Results from Projects, Funds (e.g., ISFD, LLF, Trust Funds), and Programs (e.g., KAAP) are included in the respective pillars below.**

The Bank tracks the development effectiveness of its projects at three main stages: at approval, during implementation, and at completion. Level 2 measures development results, which are defined as project outputs and intermediate outcomes. This chapter is organized along the two strategic pillars and cross-cutting thematic areas of the updated Bank strategy. The planned key results described in this chapter are captured from

40 projects and 158 grants and trust fund operations approved during 2023, whereas the actual results are extracted from 48 projects and 138 grants completed during 2023. In addition to the Banks publicly financed projects, the chapter highlights key achievements from grants, technical assistance, and special trust funds managed by the Bank. The following box highlights some key special and trust funds.

### IsDB Management Funds

#### ISFD

The Islamic Solidarity Fund for Development (ISFD) was established in 2007 as a special fund within the IsDB Group with the dedicated purpose of financing productive and service projects and programs that help in reducing poverty in Member Countries (MCs) of the OIC. ISFD provides grants and concessional financing to MCs in tackling extreme poverty by reducing unemployment, fighting diseases and epidemics, eliminating illiteracy, and building the capacities of MCs.

Since its launch in 2007, the ISFD has cumulatively approved US\$1.234 billion sourced from its net income (concessional loans and grants), and from its capital (investments) to finance projects, programs and Funds for poverty alleviation. The cumulative financing through grants have reached US\$135.6 million, while the financing through loans have reached US\$974.3 million.



#### KAAP

The Custodian of the Two Holy Mosques King Abdullah bin Abdulaziz Program for Charity Works (KAAP) is a trust fund founded in 2007 by the late King Abdullah bin Abdulaziz Al Saud. The Program is implemented by the Islamic Development Bank (IsDB) in coordination with the King Abdullah Humanitarian Foundation (KAHF) to alleviate the suffering of needy people and victims of natural disasters and conflicts. The Fund's operations have reached a total allocation of US\$ 687 million.



In October 2000, an emergency Arab Summit was held in Cairo to establish vital funding support and financial mechanisms to support the socio-economic development and reconstruction of Palestine. The Arab League created the Al-Aqsa Fund to provide support to the Palestinian economy, entrusting the IsDB to manage the funds.



## LLF

In 2016, The Islamic Development Bank, together with 5 development partners launched the US\$ 2.5 billion Lives and Livelihoods Fund (LLF). The LLDF is a joint vision of the Islamic Development Bank (IsDB) with the Abu Dhabi Fund for Development (ADFD), the Bill and Melinda Gates Foundation (BMGF), the Islamic Solidarity Fund for Development (ISFD), the King Salman Humanitarian Aid and Relief Center (KSRelief), and the Qatar Fund for Development (QFFD). The LLF's objective and mission is to increase funding for projects benefiting the poorest and most vulnerable in eligible Member Countries, targeting key drivers of poverty i.e., health, agriculture, and basic infrastructure. Since its inception in 2016, the fund has been transforming the lives of thousands of people through 37 projects in the fields of healthcare, agriculture, and basic infrastructure in 22 IsDB's least developed and lower middle-income Member Countries. LLF since inception has approved approx. US\$ 1.5 billion in concessional financing through a unique financing model that combines grants from regional and international donors with the lending capital of IsDB. The next phase of the LLF was launched during the IsDB Annual Meetings in May 2023 in Jeddah, Kingdom of Saudi Arabia.



## Al-Aqsa Fund

In October 2000, an emergency Arab Summit was held in Cairo to establish vital funding support and financial mechanisms to support the socio-economic development and reconstruction of Palestine. The Arab League created the Al-Aqsa Fund to provide support to the Palestinian economy, entrusting the IsDB to manage the funds. As part of the Al Aqsa fund, the IsDB is managing trust funds contributed by the Arab Fund for Economic and Social Development, Arab Monetary Fund, Arab Bank for Economic Development in Africa, Kuwait Fund for Development, Saudi Fund for Development, and other donors. The total portfolio is over US\$ 2 billion, with new approvals in 2023 of approximately US\$ 41 million.



## 3.1 PILLAR 1: GREEN, RESILIENT & SUSTAINABLE INFRASTRUCTURE



### AGRICULTURE & RURAL DEVELOPMENT



#### Approved Projects

In 2023, the Bank approved four (4) agriculture and rural development projects (worth US\$ 354 million), three of them were in the Sub-Saharan region and one project in Pakistan. These projects, when completed, are expected to yield promising results for the communities. Table 6 below provides more details.



#### Completed Projects

In 2023, the Bank has completed eighteen (18) agriculture and rural development projects, contributing to the land irrigation, increasing the crop production, and establishment/ rehabilitation of agricultural research centers. More result indicators are given in table 7 below.

**Table 6: Agriculture & Rural Development Planned Result Indicators**

Result Indicator	Planned Results
Agricultural storage capacity built or upgraded (tons)	41,300
Area irrigated (hectares)	3,157
Crop production increased (tons)	266,567
Livestock production increased (tons)	1,500,000
Agricultural processing facilities constructed or rehabilitated (number)	320

**Table 7: Agriculture & Rural Development Completed Result Indicators**

Result Indicator	Achieved Results
Agricultural storage capacity built or upgraded (tons)	9,073
Area irrigated (hectares)	17,623
Agricultural research centers or human training and development institutes established or rehabilitated	106
Crop production increased (tons)	84,333
Improved yielding seeds introduced (items)	15,185
Water supply network installed or upgraded (length in kilometers)	647
People with access to microfinance increased (number)	185,000
People trained (number)	273,333



IN THE SPOTLIGHT 01

HYDRO-AGRICULTURAL DEVELOPMENT PROJECT IN UPPER SASSANDRA AND FROMAGER REGIONS (PHASE II), COTE D'IVOIRE



1: Views of A Market Garden Borehole Offered to A Women's Group in Linia - Hydro-Agricultural Development Project in Upper Sassandra and Fromager Regions (Phase II)



2: Tomato harvest in Linia - Hydro-Agricultural Development Project in Upper Sassandra and Fromager Regions (Phase II)



The project aimed at providing additional water storage capacity and development irrigable agricultural land for rice production with a view to improving food security by irrigating 332 hectares.



### Notable Projects

*In 2023, the Bank has completed the **Sarymsak Irrigation Scheme Development Project in Kyrgyz Republic** which has successfully helped in increasing over 7,000 tons of crop production with an irrigated land of 1,918 hectares.*

**The Integrated Rural Development Project in the Central Plateau Region -in Burkina Faso** has also been completed successfully which has helped in increasing irrigated land of 1,160 hectares and provided 25K people with access to microfinance increased. in addition, the Crop production has increased by 12,609 tons.

**Special Program for Food Security (Phase II) in Niger** was completed successfully in 2023 and resulted increasing the irrigated area with 1,698 hectares and increased the potable water treatment capacity by 5,840 m<sup>3</sup>/day.

*In 2023, the Bank has approved **Sindh Flood Emergency Housing Reconstruction Project-Pakistan** with the objective of the reconstruction of core housing units to the population affected by the 2022 floods in selected districts of Sindh province, where 900K families were able to access improved shelter/houses.*







## SUSTAINABLE TRANSPORT



### Approved Projects

In 2023, the Bank has approved ten (10) transport projects with total amount of US\$1.2 billion, in Egypt, Burkina Faso, Côte d'Ivoire, Senegal, the Gambia, Togo, Morocco, Tajikistan and Uganda. Together, these projects when completed, will benefit more than 25 million people, and enable them access to improved transportation services.



### Completed Projects

In 2023, the Bank has completed eight (8) transport projects in, Albania, Cameroon, Senegal, Uganda, and Uzbekistan. These projects were able to build or upgrade expressways, highways and Local/rural roads.

Table 8: Sustainable Transport Planned Results

Result Indicator	Planned Results
Expressways/highways built, upgraded, or rehabilitated (kilometer)	258
Local/rural roads built, upgraded, or rehabilitated (kilometer)	545
People with improved access to transportation services increased (number)	25,108,000
Railway tracks constructed, upgraded, or rehabilitated (kilometer)	679
Greenhouse gas (GHG) emissions reduced (tonnes, CO2 equivalent)	267,000

Table 9: Sustainable Transport Completed Results

Result Indicator	Achieved Results
Expressways/highways built, upgraded, or rehabilitated (kilometer)	501
Local/rural roads built, upgraded, or rehabilitated (kilometer)	809
People employed (number)	500



In 2023, the Bank has approved ten (10) transport projects with total amount of **US\$1.2 billion**, in Egypt, Burkina Faso, Côte d'Ivoire, Senegal, the Gambia, Togo, Morocco, Tajikistan and Uganda.



## IN THE SPOTLIGHT 02

OLAMA-KRIBI ROAD PROJECT -  
CONSTRUCTION OF OLAMA-BINGAMBO SECTION, CAMEROON

3: A view of The Built Road - Olama-Kribi Road Project - Construction of Olama-Bingambo Section



4: One block of Three (3) Latrines – Olama - Kribi Road Project - Construction of Olama-Bingambo SectionII)

The project aims at developing the centre and South Regions of Cameroon by improving the level of road service between Olama and Kribi and the living conditions of the people of these regions. In 2023, the Bank has completed the Olama-Kribi Road Project – Construction of Olama-Bingambo Section in Cameroon with a construction of a 204 Km road resulting in improving the level of road service between Olama and Kribi and the living conditions of these high population regions.

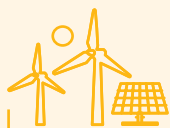
- 204 Kilometers - Expressways/highways built, upgraded or rehabilitated



## Notable Projects

**Reconstruction and upgrading of M39 Road in Surkhandarya Region - Uzbekistan** has also been completed successfully in 2023 which led to the completion of reconstruction and upgrading of about 121 km of the existing M39 road in Surkhandarya Region.

In 2023, the Bank has approved The **Electric Express Train Phase-1 Project in Egypt**. The project will contribute to the overall socio-economic development of Egypt in providing access to safe, affordable, accessible, and sustainable transport system for all, once the project completed it will improve access to transportation services for more than 25 million people.



## CLEAN & RENEWABLE ENERGY



### Approved Projects

In 2023, the Bank approved five (5) energy sector projects with a total allocation of US\$388 million in Bahrain, Cameroon, Burkina Faso, and Mali. Once completed, these projects will improve energy efficiency and replace fossil fuels with renewable energy sources.



### Completed Projects

The completed energy generation projects are expected to satisfy the increasing demand of electricity through installation of transmission lines and improving the generation system's efficiency by replacing old and inefficient power plant units.

Table 10: Clean & Renewable Energy Planned Results

Result Indicator	Planned Results
Households connected to electricity (number)	34,540
Installed energy generation capacity using renewable sources (MW equivalent)	961,359
Substations, Installed, upgraded, or Rehabilitated (MVA)	192
Transmission/distribution lines installed, upgraded, or rehabilitated (kilometer)	2,475

Table 11: Clean & Renewable Energy Completed Results

Result Indicator	Achieved Results
Installed energy generation capacity using non-renewable sources (MW equivalent)	1,670
Transmission /distribution lines installed, upgraded, or rehabilitated (kilometer)	72



In 2023, the Bank approved five (5) energy sector projects with a total allocation of **US\$388 million** in Bahrain, Cameroon, Burkina Faso, and Mali. Once completed, these projects will improve energy efficiency and replace fossil fuels with renewable energy sources.





## IN THE SPOTLIGHT 03

## ASSIUT (EL-WALIDIA) THERMAL POWER PLANT PROJECT, EGYPT



5: Steam Turbine Generator - Assiut (El-Walidia) Thermal Power Plant Project



6: Boiler Overview - Assiut (El-Walidia) Thermal Power Plant Project

The project aims at promoting economic growth and improving the living standards of the population by satisfying the increasing demand for electricity in Egypt in an efficient and reliable manners.



**1,300**

Installed energy generation capacity using non-renewable sources (MW equivalent)



**5%**

Energy Efficiency Improvement - Loss reduced per year (%)



## Notable Projects

As part of a **Public-Private Partnership (PPP)**, **Safi Independent Power Plant Project is completed in Morocco** which has Installed 1,250 MW of energy generation capacity using non-renewable sources.

Another completed project in 2023 is the "**400 MW Ashuganj East Power Plant Efficiency Improvement -Bangladesh**, which has Installed 400 MW of energy generation capacity using non-renewable sources by replacing old and inefficient power plant units at Ashuganj power plant complex by a modern and efficient 400 MW Combined Cycle Power Plant (CCPP).

*In 2023, the Bank has approved **Establishment of new 400KV JASRA Subsystem in BAHRAIN.** which will expand and strengthen electricity transmission networks required to meet the needs of increase in demand. It will also contribute in the GCC electrical interconnection project as well as improving the ability to trade energy between the GCC by Installing 1,359 MW of energy generation capacity using non-renewable sources.*





## WATER, SANITATION, AND URBAN DEVELOPMENT



### Approved Projects

In 2023, the Bank has approved a total of US\$56 million in two (2) projects in Guinea and Djibouti. Together these projects are expected to provide more than 323K Households with access to a safe water supply system. This is in addition to providing more than 236K Households with access to improved sanitation.



### Completed Projects

In 2023, the Bank has completed seven (07) projects in the sector of Water, Sanitation, and Urban Development. These projects have provided more than 183K of households with improved sanitation and almost 34K of households have been provided access to safe water supply, in addition to the increase in the capacity of potable water treatment by 200K (m3/day).

Table 12: Water & Sanitation Planned Results

Result Indicator	Planned Results
Households provided access to improved sanitation (i.e., latrines, sewage system) (number)	236,750
Households provided access to safe water supply systems (number)	323,541
Potable water treatment capacity increased (m3/day)	17,000
Households benefited from improved urban areas and services (number)	2,000
Households provided access to improved shelter/houses (number)	907,500
Shelters/houses built, upgraded, or rehabilitated (number)	275,037

Table 13: Water & Sanitation Completed Results

Result Indicator	Achieved Results
Households provided access to improved sanitation (i.e., latrines, sewage system) (number)	183,850
Households provided access to safe water supply systems (number)	33,950
Potable water treatment capacity increased (m3/day)	200,068
Water supply network installed or upgraded (kilometers)	647
Water resources developed for multiple use (m3)	34,000,000
Number of people reached through awareness campaigns	40,000



### Notable Projects

In 2023, the Bank has completed the **Water Supply Project for the Eastern Region in Cote d'Ivoire**. The project enabled 23,320 Households to provide access to safe water supply systems and increased the capacity of potable water treatment by 1,660 (m3/day).

Another completed project in 2023 is the **Expansion of Water Supply Project for Fes City and the Rural Communities in Taza Province – in Morocco**, which aimed to satisfy the water demand for the urban population in the Southern districts of Fes city by installing and upgrading 262 kilometers of water supply network and increasing the capacity of potable water treatment by 53,568 (m3/day).

In 2023, the Bank has approved **Rural Water Supply and Sanitation Project in the Upper and Middle Regions of Guinea** which aims to provide 91,500 Households with access to safe water supply systems.

## IN THE SPOTLIGHT 04

RURAL WATER SUPPLY AND SANITATION  
IMPROVEMENT PROJECT, KYRGYZSTAN

7: Sanitation provision at Abdelrahmanof School, Korgon District - Rural Water Supply and Sanitation Improvement Project



8: Water Wellfield at Besh-Moinok Subproject, Suzak District - Rural Water Supply and Sanitation Improvement Project

The project outcomes were satisfactorily achieved. The implementation of the project has increased water production to 9.5 m<sup>3</sup>/year thereby improved access to and ensured continuity of water supply to 85,348 people in 24 villages of the project areas. The project considerably contributed to the national water supply and sanitation development national program (2014-2026) towards enhancing drinking water supply quality and improving public health and livelihoods, by construction, rehabilitation and upgrading of water supply infrastructures.



**20**

Educational institutions built, upgraded, or equipped (number)



**1,600**

Households provided access to improved sanitation (i.e. latrines, sewage system) (number)



**15,600**

Households provided access to safe water supply systems (number)



**56,000**

Number of people reached through awareness campaigns.



**10,000**

People trained (number)



**11,000,000**

Water resources developed for multiple use (m<sup>3</sup>)

## 3.2 PILLAR 2: INCLUSIVE HUMAN CAPITAL DEVELOPMENT



### NUTRITION & FOOD SECURITY

#### Food Security Response Program (FSRP)

In 2023, the Bank launched the Food Security Response Program to mitigate the effect of the global food crisis on Member Countries. Following Box gives more details.

On 28 July 2023, the IsDB Group endorsed a US\$10.54 billion comprehensive Food Security Response Program (FSRP) package. The objective of the Program is to support Member Countries by complementing their national food security efforts in averting the ongoing food crisis and strengthening their resilience to future food security shocks.

The total amount of financing approved by IsDB Group, (by the end of 2023) stands at US\$4.6 billion, representing 44% of the pledged amount under approvals (US\$10.54 billion), the accelerated disbursements under on-going operations reached US\$0.58 billion has been disbursed representing 34% of the IsDB's planned disbursement amount of US\$ 1.7 billion disbursed for ongoing projects within the FSRP scope.

Following is some of key expected results from FSRP interventions:



**13,350**

tonnes/year of Maritime capacity increased.



**1,500,000**

tonnes of Livestock production (Dairy) increased.



**4,900**

tonnes of Crop production (Maize production) increased.



**6,000**

tonnes of Crop production (Rice production) increased.



**1500**

people with improved livelihoods/income increased.



**26,400**

tonnes of Crop production increased.



**1300**

tonnes of agricultural storage capacity built or upgraded.



**150**

agricultural processing facilities constructed or rehabilitated.



### Notable Projects

**Regional Cassava Value Chain Program (RCVCP) for Africa:** To respond to the persistent food insecurity in Africa, the Agriculture team of the Economic and Social Infrastructure Department (ESID) initiated the Regional Cassava Value Chain Program (RCVCP) for Africa. The RCVCP offers a Strategic Vision to drive Green Economic Growth in IsDB Member Countries that helps address food insecurity in Africa in a sustainable way. The overall objective is to contribute to food security, enhance economic growth, and improve household incomes through improved production, processing, marketing, and support for private sector participation in the Cassava value chain. The target countries are Benin, Burkina Faso, Cote d'Ivoire, Niger Cameroon, Mozambique, Sierra Leone, Togo and Uganda. The program design is articulated around three core components.



### Major Program

**Alliance for Special Agro-Industrial Processing Zones (ASAPZ):** The Islamic Development Bank collaborated with other founding partners (African Development Bank Group, Afreximbank, Arise Integrated Industrial Platforms, and the United Nations Industrial Development Organization) to launch a new private sector-focused Alliance to bridge the critical financing gap in agro-industrialization, through the Special Agro-Industrial Zones (SAPZ), the commitments made towards the financing of the SAPZ are as follow - US\$1.1 bn by the African Development Bank Group, US\$1bn by Afreximbank, US\$300m by IsDB Group and US\$600m from Arise Integrated Industrial Platforms (Arise IIP) and its partners.



### Building Capacity of Member Countries

- IsDB in collaboration with ICBA (International Center for Biosaline Agriculture) and with the National Institute of Agricultural Research in Senegal organized a regional training workshop on Land, Water and Crop Management to Achieve Food Security in Sub-Saharan Africa (11-15 December 2023 - Dakar, Senegal).
- IsDB in collaboration with the Islamic Organization for Food Security (IOFS) and United Nations Development Program (UNDP) organized a capacity building on Spurring Food Security, Climate Resilience and Agro-Industrial Development by Transforming Cassava Production and Processing (12 – 14 December 2023 – Abidjan Cote D'Ivoire)



9: Building Capacity of Member Countries





## RESILIENT & QUALITY EDUCATION



### Approved Projects

In 2023, the Bank approved a total amount of US\$201 million in the education sector covering five (5) projects in Chad, Mauritania, Mozambique, Tajikistan, and Togo. Together, these projects are expected to benefit students through building / upgrading educational institutions.



### Completed Projects

The Bank has completed six (6) education projects in 2023 which have benefited students through built or upgraded educational institutions and classrooms. Countries that benefited from these projects were Benin, Burkina Faso, Cote d'Ivoire, Indonesia, Suriname, and Tunisia.

Table 14: Resilient & Quality Education Planned Results

Result Indicator	Planned Results
Accommodation rooms built in educational institutions (number)	360
Classrooms built or upgraded in educational institutions (number)	44
Educational institutions built, upgraded, or equipped (number)	4,563
Students accommodated in educational institutions (number, per year)	4,820
Students benefited (number, per year)	51,980
Teachers/Faculty/staff trained (number)	2,377

Table 15: Resilient & Quality Education Achieved Results

Result Indicator	Achieved Results
Classrooms built or upgraded in educational institutions (number)	602
Educational institutions built, upgraded, or equipped (number)	267
Students benefited (number, per year)	41,150
Accommodation rooms built in educational institutions (number)	189
Teachers/Faculty/staff trained (number)	20,744
People employed (number)	25,375



## IN THE SPOTLIGHT 05

### THE DEVELOPMENT OF FOUR HIGHER EDUCATION INSTITUTIONS PROJECT, INDONESIA



📷 10: State University of Malang (UM) - The Development of Four Higher Education Institutions Project



📷 11: University of Jember (UNEJ) - The Development of Four Higher Education Institutions Project

The project has significantly contributed to the realization of the H. E's Strategy of the GOI (2015-2019) which aims at improving national competitiveness through research and innovation by 2022, for instance, the 4 in1 universities consortium has established four (4) Centers of Excellence (CoEs) meant to excel in teaching and learning as well as in research and innovation. Through the staff development program, curriculum development, and campus infrastructure development, the project has improved the teaching and learning quality and in more competent graduates. Based on the project outputs and outcomes, the project has played an important role in assisting GOI efforts to achieve Goal 4 and Goal 9 of SDGs.



**30**

**Classrooms built or upgraded in educational institutions.**



**34**

**Educational institutions built, upgraded, or equipped**



**1,082**

**Teachers/Faculty/staff trained**

Note: Another similar project named (Support to Development of Higher Education Project) was completed in 2022 and reported in the last year ADER.



## Notable Projects

In 2023, the Bank has completed the **Basic Education Development (Phase IV) Project – in Benin**. The project aimed at construction and equipping of 339 classrooms and building of 189 accommodation rooms built in educational institutions.

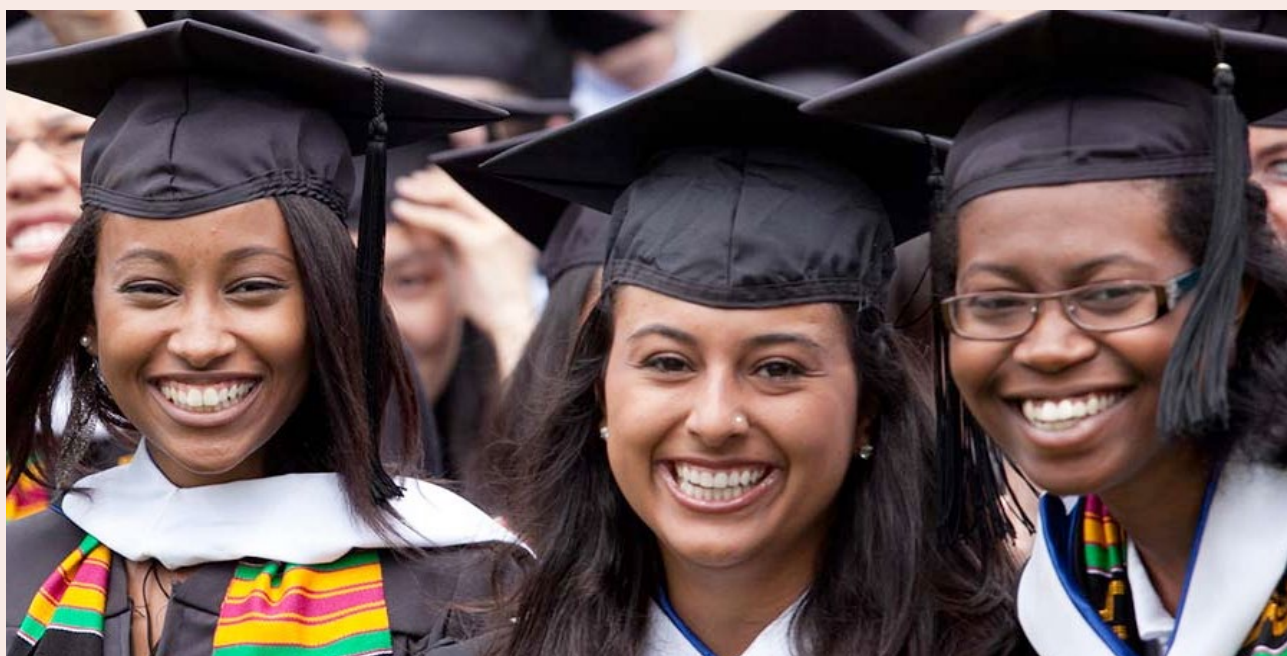
Another completed project in 2023 is **Reforming the Technical and Vocational Education and Training Project in Suriname**. The project achieved its impact by establishing and equipping 39 Training Hubs and 32,000 Students benefited every year.

In 2023, the Bank has approved **The Project for Support Implementation of the National Education Development Strategy of Tajikistan (Phase-2)**". The expected key results of the project are as follows: impart quality learning to 17,376 students; construction of 53 schools and equipping them with suitable furniture, digital infrastructure, laboratory equipment and teaching and learning materials.

IsDB financing of US\$20.0 million was blended with the GPE's US\$ 25 million grant allocation and US\$ 8million by OFID.

### BOX: Key Results from Scholarship Program

Over the past 40 years of operations, the Bank offered scholarships to 19,017 students from 122 countries worldwide (56 MCs and 66 Muslim communities in non-MCs) consisting of 15,457 for Scholarship Program for Muslim Communities (SPMC), 1,327 M.Sc. 1,745 Merit Scholarship Program (MSP), and 488 IsDB-ISFD. Gender representation is 70% Male and 30% Female. During the academic year 2023, the Bank awarded scholarships to 524 students from 57 countries (30 Member Countries and 27 Muslim communities in non-Member Countries). The IsDB Scholarship Program is one of the few development-focused Programs that provide mid-career professionals from MCs and students from Muslim communities in non-MCs with the enhanced knowledge and skills, international exposure, and confidence needed to serve their countries.







## UNIVERSAL HEALTHCARE



### Approved Projects

In 2023, the Bank has approved six (6) projects for health and other social services sectors in different Member Countries in Asia and Africa amounting to US\$1.4 billion. Together, these projects when completed will support health services through constructing / upgrading of different hospitals and health facilities. Accordingly, the people will have access to the full range of quality health services they need.



### Completed Projects

The Bank has completed two (2) health sector projects in 2023 in Chad and Mozambique. These projects have constructed health facilities and added new beds.

**Table 16: Universal Healthcare Planned Results**

Result Indicator	Planned Results
Health facilities constructed, upgraded, or equipped (number)	590
Health personnel trained e.g., doctors, nurses, paramedics, technicians (number)	27,850
Number of beds added to health facilities (number)	1,350
People benefited from in-patient hospitalization services (number, per year)	4,172,900
People benefited from outpatient services (number, per year)	48,045,543
People reached through preventive healthcare awareness campaigns (number)	700,000

**Table 17: Universal Healthcare Completed Results**

Result Indicator	Achieved Results
Health facilities constructed, upgraded or equipped (number)	37
Health personnel trained e.g. doctors, nurses, paramedics, technicians (number)	340
Number of beds added to health facilities (number)	175
People benefited from outpatient services (number, per year)	100,000



**IN THE SPOTLIGHT 06**

**SUPPORT TO HEALTH SYSTEM STRENGTHENING IN INHAMBANE PROVINCE PROJECT, MOZAMBOUQE**



📷 12: Support to Health System Strengthening in Inhambane Province Project 1



📷 13: Support to Health System Strengthening in Inhambane Province Project 2

The project contributes to the achievement of objectives of the National Health Policy, which aims at ensuring “Equal access to quality healthcare services for all Mozambicans.



**1**

**Health facilities constructed, upgraded or equipped (number)**



**100**

**Health personnel trained e.g. doctors, nurses, paramedics, technicians (number)**



**75**

**Number of beds added to health facilities (number)**



**1,000,000**

**People benefited from outpatient services (number, per year)**



**Notable Projects**

*In 2023, the Bank has completed “The strengthening of the health care Service”- in Chad – The impact of the project is to strengthen the supply of health care services in the context of a response to covid-19, by strengthening the technical platforms of health structures and by training biomedical and adding 100 beds to health facilities.*

**Strategic Health Initiatives in 2023**

Utilizing tele-medicine for Improving Medical Services in IsDB Member Countries The Cooperation and Capacity Development Department has been focusing on supporting tele-health, through its various instruments for capacity development, in view of the growing role of this mechanism in enhancing the access to and quality of health services within the Member Countries.

The Bank approved in September 2023 the Reverse Linkage Project between Somalia (Recipient) and Egypt (Provider) on “Improving the Health Services Through Tele-medicine”. This project will enable the East Africa University Hospital in Puntland State, Somalia to establish a new Intensive Care Unit with the support of the Ain Shams University Virtual Hospital, Egypt. Upon completing the project, the critically ill patients – and hence prone to death - in an area of 700,000 people will be able to benefit from an Intensive Care Unit that is effectively operated by Somalian medical staff in the East Africa University Hospital.



## SOCIAL PROTECTION

### The Islamic Solidarity Fund for Development (ISFD)

It was established in 2007 as a special fund within the IsDB Group with the dedicated purpose of financing productive and service projects and programs that help in reducing poverty in Member Countries (MCs) of the OIC.

ISFD provides grants and concessional financing to MCs in tackling extreme poverty by reducing unemployment, fighting diseases and epidemics, eliminating illiteracy, and building the capacities of MCs. The fund has approved US\$ 1.2 billion since inception, of which US\$ 213.5 million was approved in 2023.

#### ISFD was There,

#### Vincent: A Medical Professional Seeking to Restore Sight to Many in His Community


Vincent Ngaradoum, a medical professional from Chad, had always been passionate about helping others. Working as a doctor in his local district hospital, he witnessed firsthand the devastating impact of eye problems, particularly cataracts, on the lives of his patients. With only few ophthalmologists in Chad, Dr. Ngaradoum knew that he had to do something to address this critical need.

Armed with a dream to become a skilled ophthalmologist, Dr. Ngaradoum applied for a scholarship from the Islamic Solidarity Fund for Development (ISFD). His dedication and commitment to serving his community shone through, and he was accepted into the program. This scholarship allowed him to pursue his dream at Joseph Ki-Zerbo University in Burkina Faso, where he is currently honing his skills and expanding his knowledge in ophthalmology.

With the unwavering support of ISFD and the Islamic Development Bank (IsDB), Dr. Ngaradoum is determined to return to Chad and make a real difference in the lives of the local population. He envisions a future where quality care is accessible to all, and where the smiles of those who he treats are restored.

Dr. Ngaradoum's story is an inspiring one, a testament to commitment of the ISFD to supporting quality health care of communities in IsDB Member Countries. His journey is far from over, but his determination and passion will undoubtedly lead him to achieve his goals, improving the lives of countless people in Chad.



 14: A Medical Professional Seeking to Restore Sight to Many in His Community



### ISFD flagship programs include:

#### (1) The Alliance to Fight Avoidable Blindness Programme (AFAB)

Driven by the resolute objective of eradicating avoidable blindness, the AFAB Program serves as a catalyst for empowering national ophthalmological initiatives in Africa. The program addresses both cataract and Uncorrected Refractive Errors (URE), thereby illuminating a brighter future for individuals and communities.

In 2023, the program achieved 76,000 cataract surgeries.

#### (2) Out-of-School Children Program (OOSC)

The OOSC Program deploys accelerated alternative learning modules to reach out, enrol and retain out-of-school children. It recognizes the diverse backgrounds and challenges faced by these children, including those in hard-to-reach communities, conflict situations, and children with mild special needs or disabilities.

OOSC Key Outcomes



Enrolling and retaining 2.4 million out-of-school children in school



Training 250,000 teachers and government officials



Facilitating the construction of 8,860 new schools.

Currently, the program is being implemented through three projects in Mali, Burkina Faso, and Nigeria.

#### (3) The Tadamon Accelerator Program

In response to the COVID-19 pandemic and its impact on OIC Member Countries, the Tadamon Accelerator Program was established under the Tadamon platform. The primary objective of the program is to empower CSOs actively engaged in mitigating the consequences of the pandemic, contributing to the overarching goal of poverty reduction in 32 OIC Member Countries.

#### (4) The Tadamon Food Security Call Program

In 2023, the scope of the Tadamon program broadened its scope to include a crucial food security component.

This initiative seeks to mitigate food insecurity in 12 Member Countries grappling with fragility and conflict. By leveraging the vital roles of civil society and partners, this initiative is expected to positively impact 500,000 people and 20,000 will have access to agricultural resources and seeds provision.

#### (5) Strengthening the Economic Resilience of Vulnerable Enterprises Program (SERVE)

The SERVE Program has remarkably contributed to growth and development in seven Member Countries: Chad, Djibouti, Jordan, Morocco, Palestine, Uganda, and Uzbekistan. To date, the program has disbursed funding for projects with a total value of US\$539.7 million,

#### (6) Global Islamic Fund for Refugees (GIFR)

The GIFR is a joint initiative by the IsDB, ISFD and UNHCR in order to address the needs of refugees and hosting communities in OIC Member Countries.

The GIFR aims to provide sustainable financing for essential projects addressing the needs of both refugees and their hosting communities. These projects prioritize sectors with a strong development focus, including:



Health: Ensuring access to vital healthcare services for refugees.



Water, Sanitation and Hygiene: Improving hygiene and sanitation facilities in refugee camps and host communities.



Cash Assistance: Providing direct financial support to empower refugees and alleviate hardships.



Shelter: Building or renovating shelters for safe and secure accommodation.



Climate Action and Green Energy: Promoting sustainable solutions and environmental protection.



Livelihoods: Creating income-generating opportunities for refugees and contributing to economic development



## SMEs & JOB CREATION



### Approved Projects

New projects approved by the Bank in 2023 are promised to extend Islamic microfinance support and would create employment. Overall, these projects will bring economic relief and improve the livelihood of people.



### Completed Projects

In 2023, the Bank completed projects promoting 53 SMEs and job creation of over 25K people.

Table 18: SMEs & Job Creation Planned Results

Result Indicator	Planned Results
People employed (number)	584,411
People with access to microfinance increased (number)	30,000
People with improved livelihoods/income increased (number)	1,200
Small/medium enterprises established or promoted (number)	8,104

Table 19: SMEs & Job Creation Completed Results

Result Indicator	Achieved Results
Market centers established, upgraded, or rehabilitated (numbers)	344
People employed (number)	25,375
People with access to microfinance increased (number)	185,000
Small/medium enterprises established or promoted (number)	53



### Notable Projects

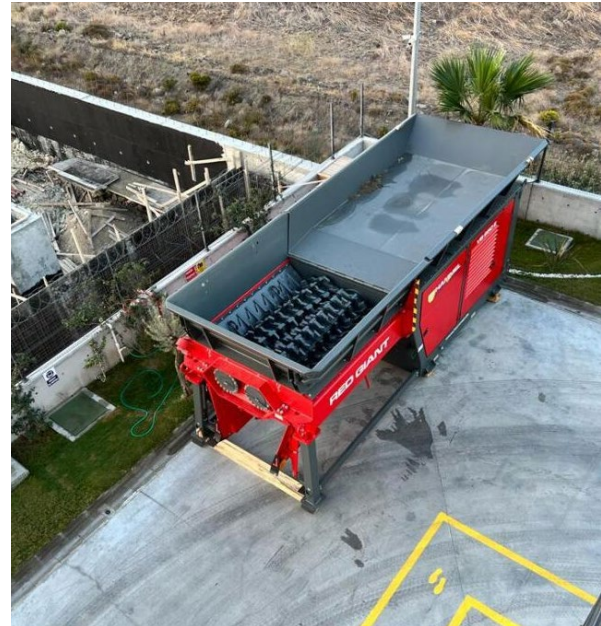
In 2023, the Bank has completed the **Smallholders Agricultural Productivity Enhancement Program for Sub-Saharan Africa- Cameroon** the project was able to extend Islamic microfinance to 80,000 people.

## IN THE SPOTLIGHT 07

### MURABAHA FINANCING FOR THE URGENT WORKING CAPITAL FACILITY TO SUPPORT SMEs UNDER SPRP PACKAGE-COVID-19, TÜRKIYE



15: Murabaha Financing for the Urgent Working Capital Facility to Support SMEs under SPRP package-COVID-19 1



16: Murabaha Financing for the Urgent Working Capital Facility to Support SMEs under SPRP package-COVID-19 2

The objective of the project is to alleviate the problem of access to finance SMEs/Midcaps have been facing and respond to the urgent needs of the country in the private sector, contribute to the restoration of the economy and enhance socio-economic development by supporting vulnerable groups and businesses in Türkiye.



# 2,000

People employed (number)





## LLF TRANSFORMS LIVELIHOODS IN UGANDA



The story of 59-year-old Beti Namusisi would strike a chord with many coffee farmers who're reeling from erratic changes in temperatures and weather patterns in Uganda and across the globe.

The ancient forests and hills in the west are nurseries of Uganda's signature robusta coffee plant, making it one of the most intensively farmed crops. It is a source of livelihood for as many as 1.7 million smallholder farmers. But, as greenhouse gases warm up the planet, these farmers are scrambling to save their precious lands and plantations from climate change.


Strength and nutritional value of the soil in Namusisi's plantation area has weakened over the last few years. While landslides – the latest in climate rollercoaster – have left her coffee fields and other crops awash.

"It's a seasonal struggle to save our coffee produce and other crops from one disaster after another. I've been surrounded by coffee my whole life, but the way weather has taken toll on our crops lately was unknown to us previously," recalls Namusisi, who owned eight acres of land at the time of her husband's death, but low farm yields and lack of production have cast a long shadow over her family asset. She was forced to sell some of her land to provide for her children and marry them off.

Things began looking up for 1,883 coffee farmers like Namusisi when the Lives and Livelihoods Fund (LLF), in collaboration with the Government of Uganda, initiated a US\$ 33 million intervention, titled, Local Economic Growth Support (LEGS) Project, in 17 districts.

The coffee farming families in Nombe sub-county have been engaged in monoculture farming methods for decades. This has resulted in intensive farming having a direct bearing on the quality of coffee produce and availability of crop varieties in the region.



 17: 59-year-old coffee female farmer Beti Namusisi.



## LLF TRANSFORMS LIVELIHOODS IN NIGERIA



The invasive crop-eaters are on the move along new migratory routes as temperatures spike and rainfall patterns shift due to climate change. Feasting their way through hundreds of thousands of hectares of cropland, these pests find a new home in Nigeria's paddies where they breed and give birth to new infestations, thus putting livelihoods at stake, exacerbating hunger, and fueling household poverty.

In Kano State, however, it got much easier in 2019 when the Islamic Development Bank, Lives and Livelihoods Fund and the Government of Nigeria brought a 5-year, US\$ 90 million crop value chain intervention, called Kano State Agro-Pastoral Development (KSADP) Project to 44 local government areas (LGAs).

Nevertheless, it has been a long journey for some farmers, especially women farmers, like Laraba Muhammad. Laraba, 40, is a young female rice grower who has been working in the field when she was still an adolescent. Like other farmers in her village, Laraba has been watching the scale of destruction going several notches every year with relentless pest infestations.

She explains, "Pests had ravaged my rice fields and other crops, causing significant financial losses which also threatened my livelihood. I wasn't selling enough produce to support the family, especially with the deteriorating economic condition in the country."

Laraba tried everything to rid her fields of the infestations, including traditional pest control methods. "I relied heavily on chemical pesticides that eventually proved ineffective, leading to environmental contamination at worst with potential health hazards for both the farmers and consumers," she adds.

For a more sustainable and practical solution to pest control, Laraba sought assistance from KSADP. She

**In Kano State, in 2019 the IsDB, Lives and Livelihoods Fund and the Government of Nigeria brought a 5-year, US\$ 90 million crop value chain intervention, called Kano State Agro-Pastoral Development (KSADP) Project to 44 local government areas (LGAs).**



**18: Laraba, 40 Young Female Rice Grower**

enrolled herself in a specialized training program on Integrated Pest Management (IPM).

"KSADP's IPM program shed light on a holistic approach which combined various techniques to control pests while minimizing environmental impact and promoting long-term sustainability," Laraba shared her experience.

Putting IPM training into practice, Laraba regularly monitored her crops for early pest detection. She used natural pest control methods and resorted to prescribed pesticides when needed, using only the least toxic and environment-friendly options such as Neem Extract.

After applying the new methods, Laraba has attested that pest infestation in Laraba's fields has reduced drastically, leading to healthier and more productive crops. Her harvest yields have doubled, providing much-needed financial stability to her family and community. "My crops are now pest-free, and my yields have increased from 15 to 38 bags this harvest season. I do not have enough words to thank LLF and KSADP", Laraba exclaims.

Laraba's success story has become a beacon of hope for farmers in Kura, demonstrating the effectiveness of IPM in combating pests, enhancing agricultural productivity, and promoting environmental sustainability. As more farmers adopt IPM practices in KSADP targeted areas, the collective impact on crop health, environmental protection, and farmer livelihoods is becoming increasingly evident.

## 3.3 KEY RESULTS IN CROSS-CUTTING AREAS

### 3.3.1 Islamic Finance

The Islamic finance mainly covers the projects developed under Awaqf properties. In 2023, Four (4) Awqaf projects were completed to enhance the public service and alleviate poverty.

Table 20: Islamic Finance Completed Results

Result Indicator	Achieved Results
The income of the Waqf beneficiary organization increased (US\$, per year)	1,000,000



#### Notable Projects

1. The construction of a **hotel in Al-Madinah Al Munawara**, which was completed in June 2023. The Hotel, which is expected to start operations in Feb. 2024, generates an annual leasing income of USD 2.13 million, supporting Albayan Foundation's educational initiatives.
2. A **commercial tower in Makkah AlMukaramah**, was completed in January 2023, and started operations in September 2023, generating an annual income of at around USD 1.33 million, supporting Zamzam Society for Voluntary Health Services.

### 3.3.2 Resilience & Disasters

The bank continued to implement for resilience to disasters, climate change and external shocks.



#### Approved Projects

In 2023, the bank has approved five (5) grant projects amounting to US\$ 3.25 million.



19: Albayan Foundation's Vision Realized: Construction of a Hotel in Al Madinah



20: Empowering Zamzam Society: The Commercial Tower Project in Makkah





### Notable Projects

*Partnership with International Organizations.* The Bank in close partnership with IFRC, ICRC, QRCS, TRCS (Kizilay) provided relief food items, Nonfood items, medical support, clean water to direct and indirect individuals.

### 3.3.3 Climate Change

In 2023, the Bank incorporated climate change and green growth elements into all Member Country Partnership Strategies (MCPS) developed, including Bangladesh, Benin, Kyrgyz Republic, and the Country Engagement Framework (CEF) in Tajikistan, in accordance with its Climate Action Plan (2020-2025). The Bank played a leading role as the Chair of the MDB Working Groups on Climate Change in better coordinating MDB initiatives and supporting the establishment of long-term national strategies. The Bank actively engaged in major global and regional climate events alongside its MCs.

The Bank was a regional partner and organized several high-level and technical sessions in the Africa Climate Week in Nairobi, Kenya and the Middle East and North Africa (MENA) Climate Week held in Riyadh, Saudi Arabia under the United Nations Framework Convention on Climate Change (UNFCCC). In addition, the Bank actively participated in the United Nations climate change conference (COP28)

in Dubai, United Arab Emirates(UAE) at an unprecedented level with a pavilion and holding more than 16 side events and numerous engagements with partners and MCs' stakeholders..

The Bank is on track to achieving its climate finance target of 35 percent of total financial commitments by 2025 with already 33 percent of climate finance share of its total approvals. In addition, the Bank has made efforts in mobilizing climate finance with its partners like the Green Climate Fund (GCF), Global Green Growth institute (GGGI) and International Climate Initiative (IKI).

Furthermore, the Bank is making efforts to tap in tremendous climate finance opportunities in the Islamic finance. For that, the Bank teamed with the UN Environment Program Finance Initiative (UNEP FI) and the General Council for Islamic Banks and Financial Institutions (CIBAFI), to develop a comprehensive climate change guide for Islamic banks in the Middle East and North Africa (MENA).

### 3.3.4 Women and Youth

The bank continued to prioritize the mainstreaming gender and youth needs and priorities in the bank's programs, and projects in areas such as business finance, social protection, health, skill training, and career advancement.



### Approved Projects

In 2023, the bank has approved seven (7) grant projects amounting to US\$ 1.55 million.



### Notable Projects

- Approval of the Youth Digitalization for Employability and Entrepreneurship Grant Program (Y-DEEP): The Y-DEEP aims to equip young women and men with the digital skills and knowledge needed to thrive in the modern workforce and start and grow successful digital businesses.
- Implementation of the Women Entrepreneurs Finance Initiative (We-Fi): The grant aims the strategic commitment to the promotion of women's entrepreneurship becoming a signatory of the Joint Statement of Support for implementing the Women Entrepreneurs Finance Code (WE Code).

### 3.3.5 Civil Society

The bank continued to engage through partnership agreements with CSOs, NGOs and other IFIs to mobilize resources to support the urgent needs of MCs.



#### Approved Projects

In 2023, the bank has approved seven (2) grant projects amounting to US\$ 0.5 million



#### Notable Projects

- *Leveraging on IsDB – ISFD NGO Empowerment for Poverty Reduction (2019 2024)*: The grant empowered the CSOs and enhance the resilience of the hard-to-reach communities i.e., Burkina Faso, Comoros, Iraq, Jordan, Niger, Pakistan, State of Palestine, Somalia, Yemen
- *Pandemic Response Accelerator (2020-2023)*: supported selected MCs affected by fragility or conflict and provided the opportunity to scale up the interventions.
- *Tadamon Accelerator for Food Security Response* grant mainly contributed to reducing food insecurity in the MCs affected by fragility and conflict.

### 3.3.6 Science, Technology & Innovation

The STI focused on the deployment of affordable and practical technologies that will have an impact on the development of MCs.



#### Approved Projects

In 2023, the bank has approved two (2) grant projects amounting to US\$ 1.19 million



#### Notable Projects

Accelerating Capacity in Tele-health (ACT) - To develop in-country healthcare provider capacities for delivering enhanced remote medical and non-medical services to areas with scarce health facilities including online specialist advisory services using innovative diagnostic tools and modern applications.

- Improving Quality of Education Through Flipped Classroom Learning – To enhance the quality of learning by providing access to quality lessons taught in schools, using education technology for poor and disadvantaged students in vulnerable areas in Member Countries.
- Digitization of the Agricultural Value Chain – To develop digital solutions that would support farmers in rural areas to gain access to information, financial services, and markets to enhance productivity and improve their bargaining power to enable them to generate more income.



### 3.3.7 Capacity Building

#### Regional Cooperation and Integration

To address emerging challenges of our MCs, IsDB continues promoting regional integration as a tool for enhancing connectivity, boosting trade and investments, and improving livelihoods based on the principles of solidarity and mutual benefits. In a growing world of economic interconnectedness, regional cooperation and integration offered the Bank's Member Countries (MCs) the assured pathways to enhance competitiveness, sustain long-term growth, and accelerate economic transformation.



#### Notable Projects

- The Central Asia Connectivity: aims to complement each other's comparative advantages, particularly, the Bank's strong footprint and field presence and its extensive experience in implementing market integration and capacity development projects in Central Asia and AIIB's focus on infrastructure development, and MCDF's support to the preparation of viable cross-border connectivity and accordingly the Bank signed the MoU with the Asian Infrastructure Investment Bank (AIIB), and the Multilateral Cooperation Center for Development Finance (MCDF).
- The Sahel Initiative: This grant will provide technical and financial support in targeted areas for 10 countries from the Sahel i.e., Burkina Faso, Cameroon, Chad, Guinea, Mali, Mauritania, Niger, Nigeria, Senegal, and the Gambia. To improve the socio-economic conditions in the region and achieving the Sustainable Development Goals, the Bank launched a new regional integration in collaboration with the Arab Bank for Economic Development in Africa (BADEA) and the United Nations Office of the Special Coordinator for Development.



## IN THE SPOTLIGHT 08

### COMPLETING THE IMPLEMENTATION OF THE REVERSE LINKAGE PROJECT BETWEEN BANGLADESH (RECIPIENT) AND TÜRKIYE (PROVIDER) ON "ENHANCING THE CAPACITY IN COTTON VARIETIES DEVELOPMENT"

The main objective of this project is to contribute to the efforts of the Government of Bangladesh to increase local cotton production, particularly in less productive agricultural land. This has been achieved through enhancing the research capacity of the Cotton Development Board (CDB), Bangladesh regarding cotton varieties development, while benefiting from the experience of the Cotton Research Institute, Türkiye.

As the beginning of the project implementation, the Turkish providing institution provided 12 cotton varieties to the Bangladeshi recipient institution. During the project period, around 35 field trials were undertaken in different parts of Bangladesh, with various climatic conditions. Eventually, four cotton varieties showed potential for adaptation with average yield increase of 15-25% compared to the Bangladeshi varieties.

Furthermore, 40 staff from Bangladesh received short-term training on 9 different topics at the Cotton Research, 350 Bangladeshi technical staff were trained through 'Joint Cotton Varieties Development' in Bangladesh Institute.



21: Türkiye and Central Field Crops Research Institute in Ankara, Türkiye 1



22: Türkiye and Central Field Crops Research Institute in Ankara, Türkiye 2

The project implementation was completed in the year 2023.



## ORGANIZATIONAL EFFECTIVENESS (LEVELS 3 & 4)



## 4.1 FINDINGS AND LESSONS LEARNED FROM EVALUATIONS

In 2023, the Bank completed 20 PCRs, all of them were for sovereign financing. Four projects were rated “Highly Successful”, One project was rated “Partially Successful” and the remaining 15 projects were “Successful”. Figure 11 shows the trend over the years.

Figure 11: Project Completion Reports Trends (2018 – 2023)

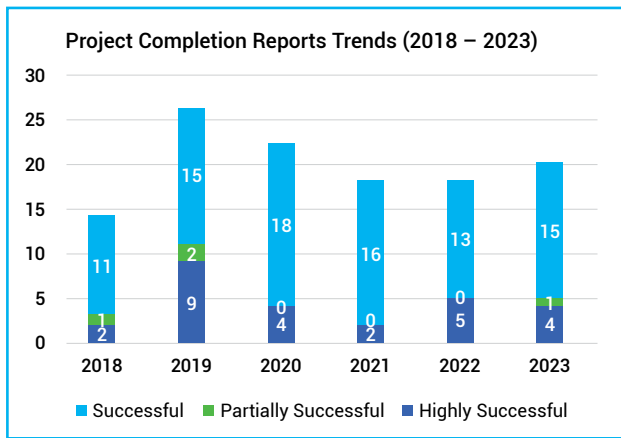
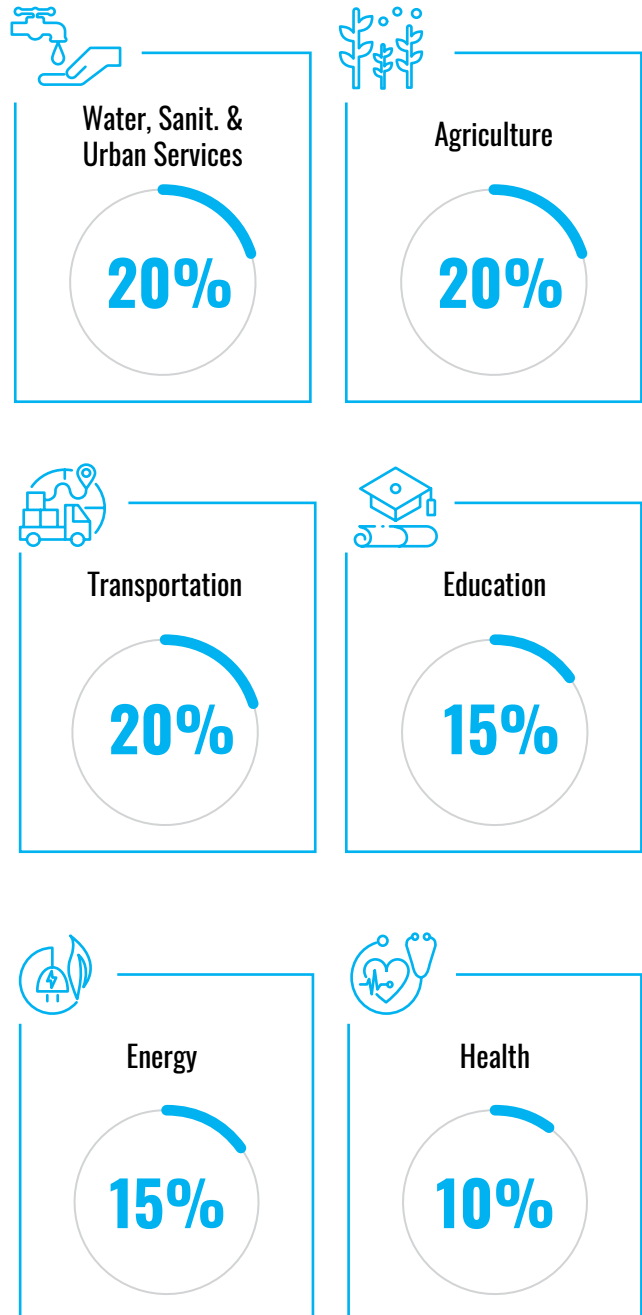


Figure 12: Sectoral Distribution of PCRs (2023)



Four (4) PCRs were completed for both of Agriculture, Transportation and Water & Urban sectors, followed by Three (3) PCRs for both of Education and Energy sectors and Two (2) PCRs for Health sector.

Figure below shows the Sectoral Distribution of PCRs completed in 2023.

Four (4) PCRs were completed for both of Agriculture, Transportation and Water & Urban sectors, followed by Three (3) PCRs for both of Education and Energy sectors and Two (2) PCRs for Health sector.

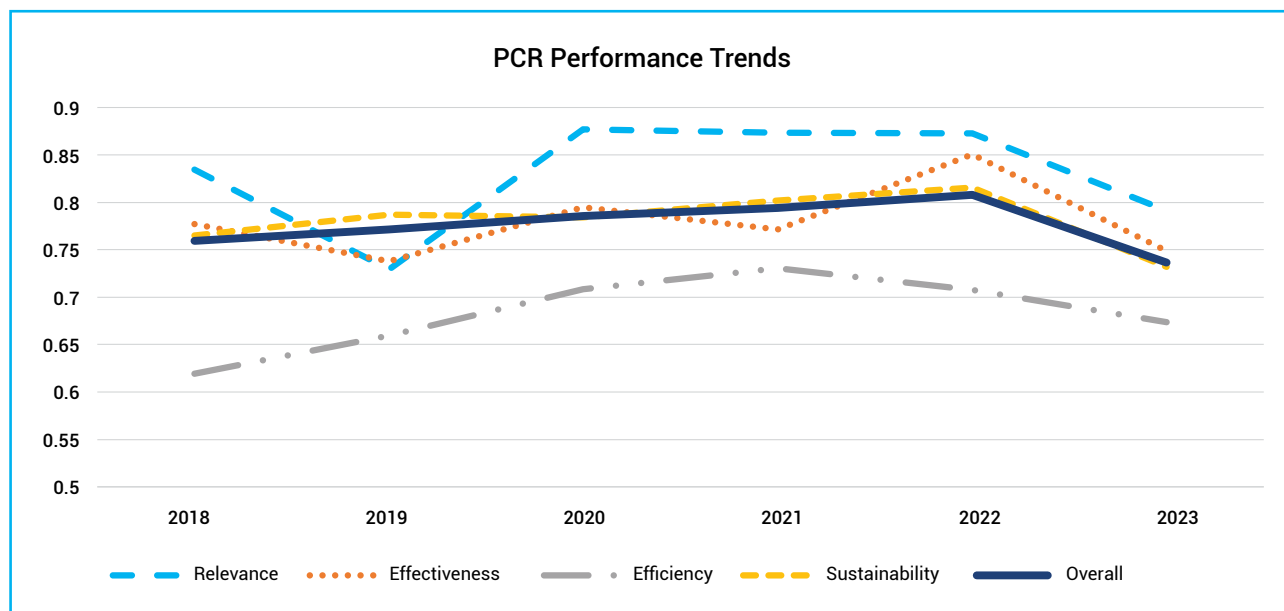


The average performance of PCR scores for all projects in 2023 stands at 78% compared to 81% for 2022. Over the years, the effectiveness score has improved. While the effectiveness criteria are almost maintained, the relevance sustainability criteria have declined.

The Independent Evaluation Department (IEvD) is responsible for undertaking independent evaluations at macro and project levels covering Member Countries and special operations funded by the Bank in Non-Member Countries. It undertakes thorough reviews and analyses to assess the developmental effectiveness of

interventions by IsDB and its alignment with the Bank's strategy. IEvD, through evidence-based evaluation of the Bank's interventions, policies, strategies, and processes, formulates recommendations and draws and disseminates lessons that enhance the development effectiveness of the IsDB interventions across different sectors, themes, regions, Member Countries, and Muslim communities in non-Member Countries. The IEvD is committed to fostering a culture of evaluation and learning, supporting informed policy decisions, and enhancing accountability, hence maintaining the highest standards of corporate governance.

Figure 13: PCR Performance Trends



**2023 Evaluation Products**

In 2023, the IEvD completed a total of nine macro-level evaluations covering two corporate, one country assistance, two thematic, one cluster, two validations of MCPS completion reviews, and one special evaluation. In addition, the Department also conducted 10 project evaluations (including one mid-term evaluation), and validated 12 Project Completion Reports and two Project Implementation Assessment and Support Reviews. The Department also produced 16 knowledge Series and eight Executive Dissemination Notes for learning and policy guidance.





**IsDB should enhance the design of IsDB LoF and benchmark with active MDBs. The Logical Framework needs to accentuate developmental impact via well-chosen objectives to be monitored by SMART indicators and to ensure the development impact is channeled to targeted end beneficiaries.**

### Improving Quality at Entry

- Clear implementation guidelines, effective monitoring frameworks, and the development of relevant policies and frameworks are crucial for the success of the funds. **The Bank should refine its policies and develop appropriate implementation instruments for managing various funds and initiatives. This includes standardizing approval processes and enhancing engagement with partners for joint action plans.**
- A well-designed line of finance (LoF) can be used as a good medium to bridge funding gaps in financial institutions and provide long-term financing in hard currency for lending to end beneficiaries in local markets. Moreover, effectively monitoring the development results on the financial institutions and the end beneficiaries requires preparing a detailed results framework with SMART targets, outputs, outcomes, and impact objectives. **IsDB should enhance the design of IsDB LoF and benchmark with active MDBs. The Logical Framework needs to accentuate developmental impact via well-chosen objectives to be monitored by SMART indicators and to ensure the development impact is channeled to targeted end beneficiaries.**

### Enhancing Operational Efficiency

- A rigorous and risk-based comprehensive early assessment is key for projects' selectivity and prioritization during the programming phase, including

the early use of Electronic Procurement Platforms (EPP) for Member Countries to enhance Procurements and Financial Management Reviews.

- Implementation delay and growing cumulative undisbursed amounts are critical factors affecting the Bank's development effectiveness in some countries. **The Bank should engage with the governments to address the implementation bottlenecks, such as the inadequate project processes in the planning, phasing, and implementation, dual procurement procedures, long implementation durations, pre-conditions for project effectiveness, issuance of first disbursement, duration of issuing no objection letters, and change in implementing agency.**

### Better Engagement with Member Countries and Partners

- Formulating and implementing a Member Country Partnership Strategy (MCPS) for high-income and non-borrowing Member Countries (MCs) is a special arrangement, and weak formulation of contents and inadequate mutual understanding may lead to difficulties in MCPS implementation, failure in the expectations of MCs and several traditional and fragmented interventions without significant alignment with overall MCPS objectives. **IsDBG needs to be selective while formulating MCPS and any other country engagement strategy with a high-income and non-borrowing MC.**
- A robust and all-encompassing Partnership Strategy, accompanied by detailed guidelines, significantly



enhances the design and successful implementation of Partnership Agreements (PAs). The effectiveness of IsDB-signed PAs significantly improves when supported by clear action plans and a coordinated approach at the Bank level. Establishing a robust internal partnership is crucial for fostering enduring partnerships with other institutions. **IsDB should craft a holistic Partnership Strategy encompassing both financing and non-financing activities. This strategy should meticulously prioritize and ensure the relevance of PAs, incorporating clear strategic objectives and sufficient financial and human resources.**

**Leveraging Islamic Finance**

- The complementarities offered by the IsDB Group can reinforce the additionality of Islamic Finance in terms of learning, short-term, and long-term financing, and extending the development impact to other MCs. IsDB LoFs met the basic, yet important, financing needs expressed by Financial Intermediaries (FIs) to increase lending to end SMEs and other beneficiaries. **IsDB should leverage IsDB’s position in the field of Sharia-compliant financing, offering a unique selling point to develop special programs supporting and expanding Islamic Finance LoFs. The Bank may consider packaging an IsDB Group Program covering short-term and long-term tenors, medium-term working capital solutions from ITFC supported by ICIEC coverage, and technical assistance in the form of training and South-South cooperation programs like reverse linkage to enhance its offer and sustain the development impact.**



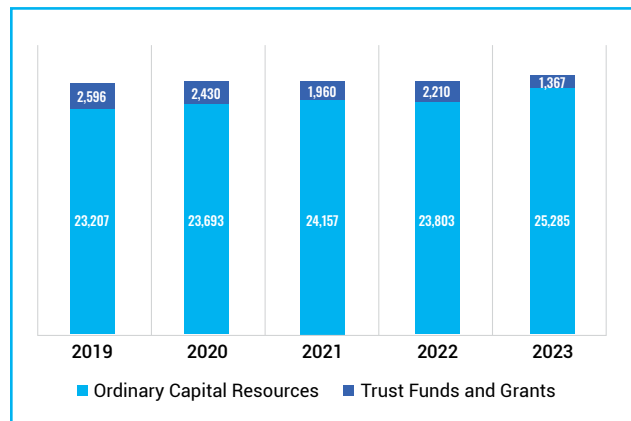
**IsDB should craft a holistic Partnership Strategy encompassing both financing and non-financing activities. This strategy should meticulously prioritize and ensure the relevance of PAs, incorporating clear strategic objectives and sufficient financial and human resources.**

**4.2 OPERATIONS EFFICIENCY**

**4.2.1 Performance of the Active Portfolio**

At the end of 2023, IsDB’s active portfolio stands at US\$25.3 billion, compared to US\$22 billion at the end of 2022, an increase of US\$3.3 billion (15%). This includes sovereign and non-sovereign projects and financed by Ordinary Capital Resources (OCR), technical assistance, grants, and trust funds. Figure below shows the trend of portfolio growth, which includes 1,054 projects, among them 379 from the OCR.

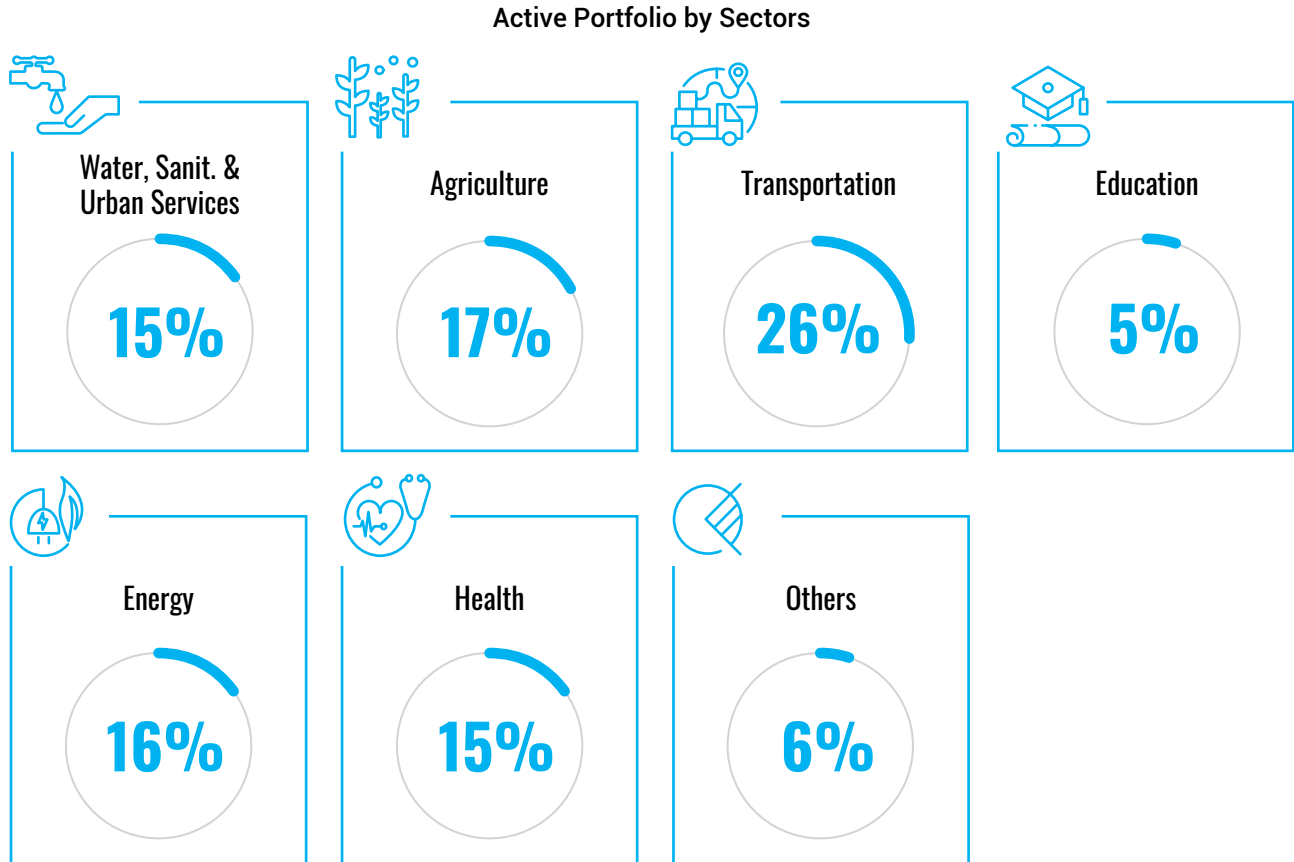
**Figure 14: Trends of Active Portfolio at Year-ends (US\$ Millions)**





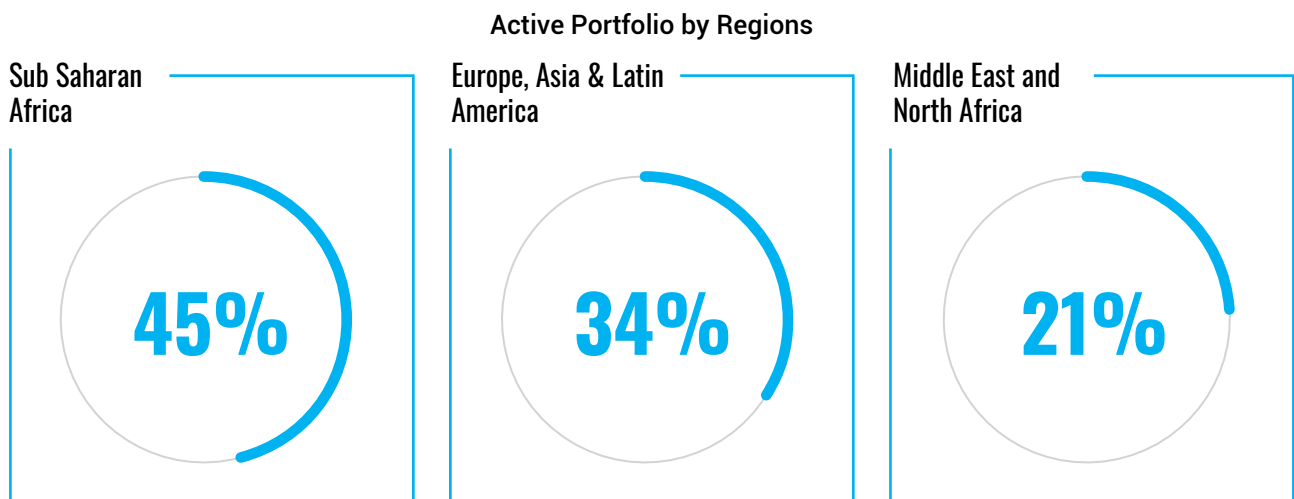
The largest concentration of the Bank's financing is in the transport sector (26%), followed by agriculture (17%), energy (16%), Health and Water and Urban services (15% each), education (5%), and the remaining 6% for finance, ICT, trade, and industry sectors (others). See figure 15.

Figure 15: Active Portfolio by Sectors



Given the Bank's focus on the LDMCs, 45% of the active portfolio is concentrated in the Sub-Saharan Africa region, followed by 34% in Asia, Europe, and Latin America, 21% in the Middle East and North Africa. See Figure 16 below.

Figure 16: Active Portfolio by Regions



### Project Approvals in 2023

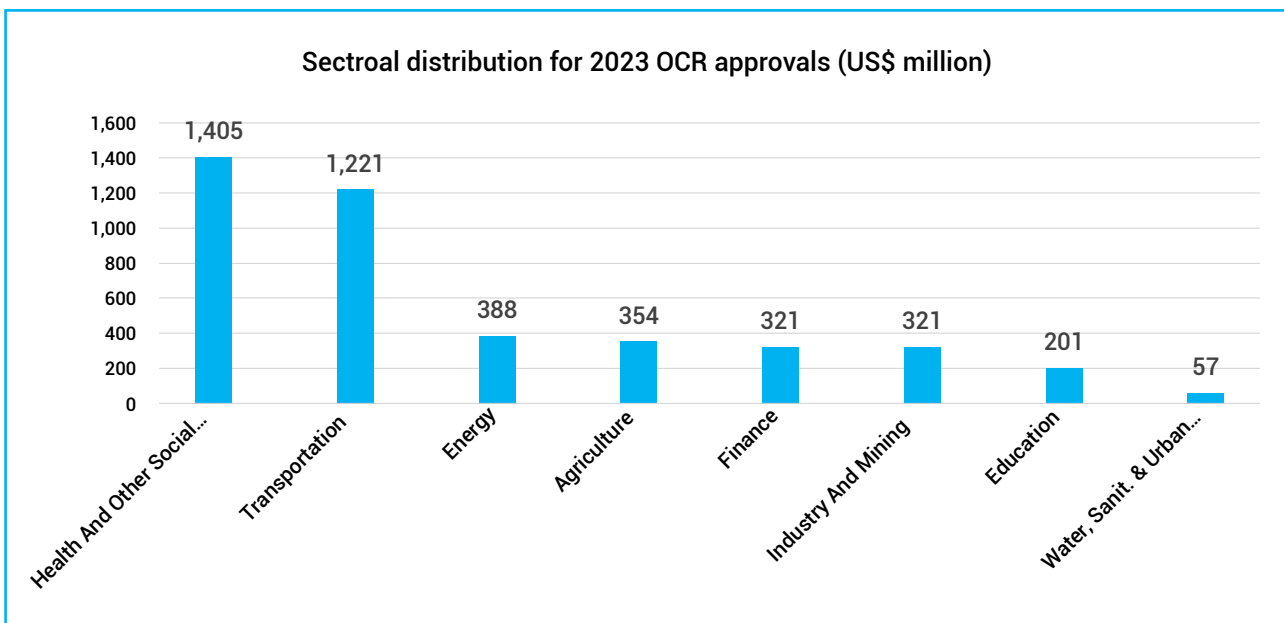
The year 2023 witnessed a significant increase in financing projects under the OCR reaching US\$4.3 billion which is an increase of 40% from the previous year (US\$3.0 billion). See Figure below for details.

Figure 17: OCR Approval Trends



In 2023, most of the OCR projects approved were for the health and other social services sector (33%), followed by Transportation sector (29%), followed by Agriculture, Industry and finance Sectors at 8 percent for each and finally the Education sector at 5 percent and Water, Sanit. & Urban Services at 1 percent.

Figure 18: ORC Approvals in 2023 by Sector



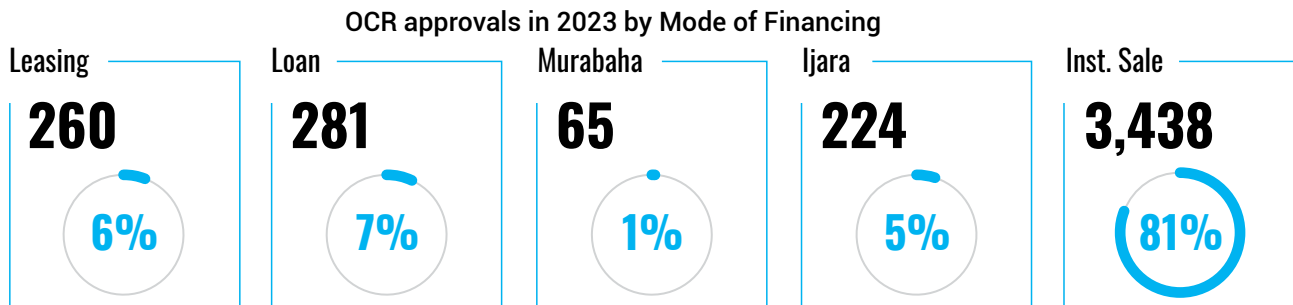
The largest portion of the approvals from OCR in 2023 went to Asia, Europe, and Latin America (US\$1.97 billion, 46%), followed by Sub-Saharan Africa (US\$1.4 billion, 32%), and the MENA region (US\$918 million, 22%). See Figure below.

Figure 19: OCR Approvals 2023 by Region



In terms of modes of finance, 81% of OCR approvals in 2023 are based on an installment sale, followed by Loan (7%), leasing (6%), Ijara (5%), and Murabaha (1%). See figure below.

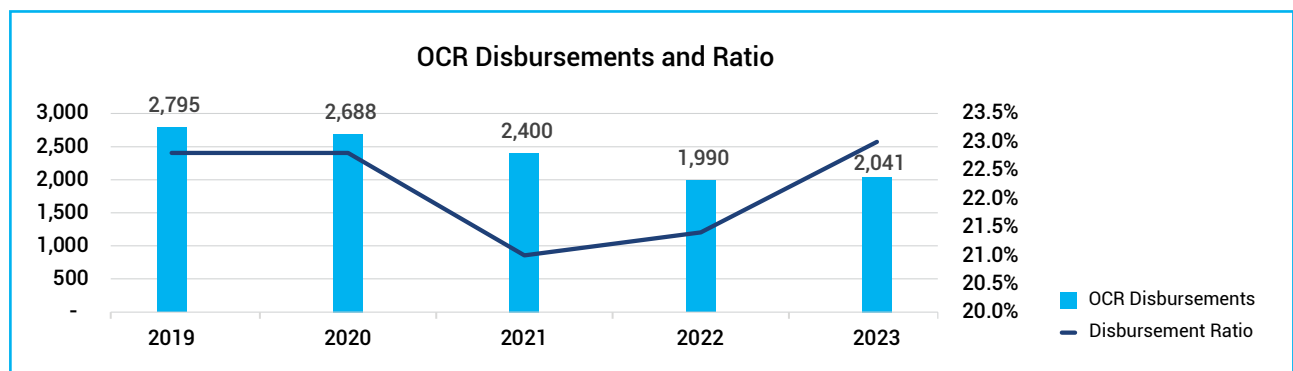
Figure 20: OCR Approvals in 2023 by Mode of Financing



**OCR Disbursements**

In 2023, the Bank has made OCR disbursements worth US\$ 2.0 billion, which is almost the same as disbursements made in 2022 which (US\$ 2 billion). The disbursement ratio – which is the ratio of disbursements made during the year and the cumulative undisbursed commitments (CUC) at the beginning of the year – has increased to 23% from 21.4% in 2022. See figure below.

Figure 21: OCR Disbursements and Ratio





## 4.2.2 Effective Portfolio Management

### Effective Implementation Assessment, Monitoring, and Reporting:

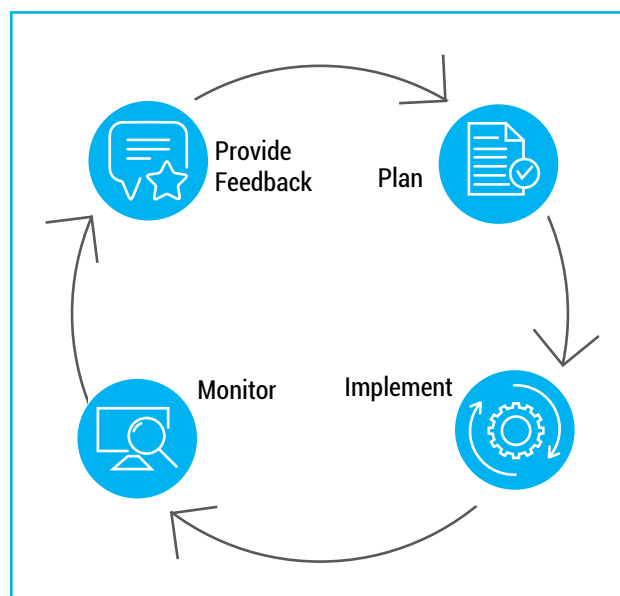
The fundamental objective of operations resides in its ability to effectively and efficiently monitor and report on the performance of the active portfolio through the Regional Hubs (RHs) using a multipronged approach involving: (i) active project supervision through PIASRs; (ii) Country Portfolio Performance Reviews (CPPRs); (iii) cross-departmental task force to focus on portfolio improvement; (iv) measuring and managing results in the form of quality at the exit of projects, and (v) development of IT dashboards for continuous monitoring of the quality of the portfolio r effective management.

Also, the Bank continues to reinforce measures to improve the active portfolio's quality through the introduction of a formal selectivity process for Selecting Countries for annual CPPR. In this regard, the Bank has recently mainstreamed New CPPR and PIASR processes designed to further enhance portfolio quality and standardize the procedure of conducting both PIASR and CPPR across all Regional Hubs.

The Bank has also developed Project Implementation Assessment and Support Report (PIASR) Guidelines to facilitate the supervision activities of the RHs and monitoring at the HQ level to improve the Bank's portfolio of projects. This was followed by mapping the entire PIASR process in the SIGNAVIO system for access by all RHs to ensure consistency of approach across all RHs.

The introduction of Country Portfolio Review Note (CPRN) as an instrument to plan for conducting CPPR in MCs is expected to reinforce the comprehensive desk-based annual performance assessment of Country Portfolio.

Figure 22: Effective Portfolio Management



### Effective Grant Operations Management:

Grant operations constitute a critical component of the IsDB operations as a catalyst for program/project implementation in MCs. The programs/ projects receive allocated funding from the Bank and other development partners to respond to the priority development needs of MCs as well as Muslim Communities in Non-Member Countries (MCNMC).

The Bank developed Grant Operations Handbook (Grant Handbook) in 2021 and this was enhanced in 2023, which introduced additionalities in the planning, resource allocation, identification, programming, processing, implementation, and monitoring of the grant programs. The Grant Handbook also provides key information on important definitions, grant typology, and funding sources.

### Technical Reviews of Projects:

The Bank has separate committees like the Technical Review Committees and Operations Management Committees that carry out the due diligence and quality assurance of projects. The purpose of these forums is to carry out quality reviews, with a focus on compliance with operational, sectoral, thematic, legal, procurement, and fiduciary aspects of the operations documents produced by RHs, and other concerned stakeholders. The committees facilitate the resolution of any issues relating to the processing, and approval of the operations documents makes recommendations to the Management to facilitate informed decision-making and continues to reinforce efforts to enhance the quality of project documentation submitted to the committee.





The Technical Review Committee's guidelines and procedures were prepared to catalyze and reinforce the dynamic quality review process of operational documents and to facilitate and expedite the clearance of documents presented. Moreover, multiple stakeholder workshops and webinars were conducted to familiarize the RHs and the HQ-based staff with the new processes and procedures underpinning the functioning of the Committee. The process has resulted in the reinforcement of a quality assurance mechanism within the process of reviewing the project documents including the introduction of a single point of accountability for quality assurance in all project documents.

### 4.2.3 Operations Efficiency Initiatives

#### Adaptive Results-based Management (aRBM):

In 2023, LLF has worked on rolling out the adaptive Results Based Management (aRBM) program to enhance the effectiveness and impact of LLF investments. Adaptive Results-Based Management (aRBM) is about one important change: Focusing on and maximizing results that benefit the people and the communities we serve. The aRBM routines, data and information systems, learning and decision-making approaches, are currently rolled out in eight projects managed from the Abuja and Dakar hubs of the Bank. The program is designed as a pilot factoring in the large, complex ecosystem of the Bank and Member Countries. The outcomes of the program are to be scaled to all LLF2 projects, and potentially other IsDB portfolios.

#### DOA and Business Processes (2023)

After the fine-tuning and calibration of the Bank's organizational structure, in early 2023, a new Delegation of Authorities Matrix (DOA) was issued, together with the Organizational Manual, and Committee Charters. The 2023 annual review of the org manual, DoA, and Management committee charters (MCCs) which was started by a memo sent by the DG-GC to BUs in July 2023. The revised documents have been submitted to H.E. the President and his guidance has been obtained. There are changes to be made. Thereafter, the documents will be re-submitted for approval. It is expected that the revised org manual, DOA and MCCs will be approved within the month of January 2024.

#### Technical Assistance Grants

The Bank continues to enhance the effectiveness of its grant operations and overall performance of its grant operations portfolio. In 2023, the Bank undertook a meta evaluation of the grant operations carried out during the past 20 years, generating important lessons, and offering recommendations for improving mobilization and allocation of grant resources, strengthening grant programs, and enhancing efficiency of implementing grant operations. Based on these recommendations, the Bank developed and implemented a comprehensive action plan for improving grant operations portfolio



## 4.3 ORGANIZATIONAL PERFORMANCE





### 4.3.1 Corporate Performance Indicators

#### Results-Based Management Framework (RBMF):

For effective monitoring and implementation of the Bank’s operations, a Results-based Management Framework (RBMF) has been developed. As Any organization moves from strategy formulation to strategy implementation, it

requires a results framework with clearly defined indicators and targets. The Results-based Management Framework (RBMF) aims to measure and track the Bank’s progress in meeting the strategic objectives and priorities in a transparent, quantifiable, and interconnected manner. The RBMF is structured along four levels: Development Goals (Level 1); Development Results (Level 2), Operational Effectiveness (Level 3); and Organizational Efficiency (Level 4). There are well-defined indicators at each of these levels, with clear targets set for Level 3 and Level 4 as per the best industry practices.

Table 20: RBMF Structure and Levels

Level	Brief Definition
 <p><b>Level 1:</b> Development Goals</p>	Country-level economic and social development indicators
 <p><b>Level 2:</b> Development Results</p>	IsDB’s contribution to the MCs (Member Countries) sectoral and thematic priorities in terms of project outputs and intermediate outcomes.
 <p><b>Level 3:</b> Operational Effectiveness</p>	IsDB operational performance indicators and quality of project operations at entry, during implementation, and at completion.
 <p><b>Level 4:</b> Organizational Efficiency</p>	The quality of financial management, compliance, human resource, procurement, information technology, and administrative services.

Some of the major KPIs are highlighted below under Level 3 and Level 4:

#### Operations Work Program 2023 Performance:

At the end of 2023, the actual approvals stood at US\$4.3 billion which is +7% exceeding the Yearly Operations Plan, of US\$4 billion. Out of the US\$ 4.3 billion an amount of US\$ 280 million approved for Concessional Loans and US\$4.0 billion for ordinary financing includes US\$260million for non-sovereign financing (PPP).

Regarding the regional distribution of 2023 OCR approvals, the largest share (46%) tilting towards Asia, Latin America, & Europe region, followed by the share allocated to Sub-Saharan Africa region (32%) and finally Middle East and North Africa region (22%).

#### Operational Enhancement of Member Country Partnership Strategy (MCPS)

The pivot in 2023 centered on infusing practicality into the MCPS framework. Recognizing feedback from

**Regarding the regional distribution of 2023 OCR approvals, the largest share (46%) tilting towards Asia, Latin America, & Europe region, followed by the share allocated to Sub-Saharan Africa region (32%) and finally Middle East and North Africa region (22%).**



diverse stakeholders and guided by H.E. The President's insights, our focus gravitated toward operationalizing and implementing the strategy. This involved the finalization of MCPS Templates, Business Processes and guidelines, that guide a shift from an academic inclination in country strategies towards a pragmatic implementation-focused approach. MCPS crafted in 2023, also focused on expanding Group Synergy beyond MCPS formulation to programming and implementation.

### **Strategic Expansion and Specialized Engagements – Country Engagement Framework (CEF)**

Expanding the horizon of engagement, the IsDB Group introduced tailored instruments to ensure strategic alignment and active involvement with diverse member country scenarios such as conflict, non-borrowing status, high exposure and low headroom. The Country Engagement Framework (CEF) has been deployed as a rapid, operationally focused instrument, swiftly generating pipelines through close collaboration with line ministries, development partners, and stakeholders. Additionally, special attention was directed towards non-borrowing countries, culminating in the formulation of specialized frameworks designed to cater to their unique requirements.

### **Building on 2022 Achievements**

The initiatives undertaken in 2022 laid the foundation for the MCPS revival, exceeding expectations by completing 7 MCPS against the historical institutional average of 2.

**The IsDB Group introduced tailored instruments to ensure strategic alignment and active involvement with diverse member country scenarios such as conflict, non-borrowing status, high exposure and low headroom.**

Each strategy formulated in 2022 meticulously embedded ten critical elements derived from the IsDB Strategy 2023-2025 and the 5-Year Performance Review; spanning; the MCPS should align with member country development plans, involve all entities throughout formulation and implementation for synergy, selectively focus on areas aligning member needs with IsDB strengths, prioritize programmatic and solution-driven approaches, use MCPS as a tool for business development, engage partners for resource mobilization, identify capacity development potentials, prioritize outcomes aligned with RBMF, develop MCPS internally and cost-effectively, and ensure inclusion of cross-cutting areas within the strategy.

However, a drive for continual improvement fueled our actions in 2023, emphasizing evolution over stagnation. MCPS & CEFs in 2023 emphasize Group Synergy beyond formulation and promote an implementation focus, moving away from what we will do, towards how we will do it. Embodying these new features, in 2023, the Country Programs Complex completed the formulation of 4 MCPS for Bangladesh, Kyrgyz Republic, Benin and Qatar, in addition to 5 CEFs for Guyana, Pakistan, Tajikistan, Gambia and Azerbaijan, completing 9 country strategies against a target of 7 MCPS and CEFs.

### **Forward Trajectory: MCPS & CEFs for 2024 and Beyond**

Looking ahead, the DG-CP Directorate remains committed to formulating an additional 8 MCPS & CEFs in 2024. These strategies will be crafted using refined processes, templates, and guidelines, emphasizing operational insights, lessons learned, portfolio performance, and concrete implementation arrangements. The goal is to transform the MCPS & CEFs into practical implementation guides, empowering Member Countries and fostering impactful development outcomes.



Furthermore, in 2024, based on Management Guidance, IsDBG entities have now been included in the MCPS/CEF Work Planning process enabling entities to nominate countries to lead MCPS or CEFs in partnership with Regional Hubs.

### Resources Mobilization Initiatives:

Building partnerships and mobilizing resources are priority areas for the Bank:



US\$ 75 million - Probase for Reverse Linkage and technology deployment related projects.



US\$ 4 million - BAPPENAS, Indonesia for South-South and Triangular Cooperation



US\$ 10 million - Serunai for Reverse Linkage



US\$ 4.5 million - the King Abdullah Humanitarian Foundation to support the implementation of activities in the 5-year action plan in Togo under the Alliance to Fight Avoidable Blindness.



US\$ 29 million fresh grant resource to contribute to the Tadamon Accelerator Food Security Response Program



US\$ 19.2 million grant resources - Turkish Red Crescent (Kizilay) to contribute to the emergency response to Turkish Earthquake



US\$ 5.0 million from Qatar Charity committed for training and education of refugees and displaced people.

### Environmental and Social Safeguards and Climate Action:

In terms of climate mainstreaming, in line with its Climate Action Plan (2020-2025), the Bank incorporated climate change and green growth elements in all the Member Country Partnership Strategies (MCPS) developed in 2023 including Iraq, Malaysia, Qatar, Bangladesh, Pakistan, Tajikistan, Guyana, and Benin. In addition, all projects and investments with physical assets approved in 2023 were screened against physical climate risk across all regions and sectors and adjusted to address such risks, harness opportunities, and mitigate the impact of climate change.

The Bank is also ramping up the operationalization of its Environmental and Social Safeguards (ESS) Policy with the operationalization of a dedicated team. Currently, a detailed set of Bank Procedures for ESS is being developed.



### Financial Performance:

The Bank's financial performance was strong in 2023 with OCR's net income of ID316.7 million reported in 2023, which was 83% higher when compared to 2022's net income of ID173.1 million. The Bank also successfully maintained the AAA rating KPI as all four international credit rating agencies, namely S&P, Fitch, and Moody's, along with MARC have reaffirmed the AAA rating of the Bank in 2023.

### 4.3.2 Integrated Work Program

The Bank has introduced a formal mechanism of planning, i.e., Integrating Work Programming, that was introduced to ensure a cohesive approach of integrating strategy, finance, operations, and resource allocation of the Bank. This is well embedded in the Programming exercise. This ensures a wider stakeholders' consultation exercise is carried out for inclusive participation in the process. This results in an organization-wide approach, which is incorporated into programming and project selectivity.

The major strategic initiatives under the IWP are as follows:

#### Resource Mobilization Program

This program within the Partnerships, Global Advocacy & Resource Mobilization department, will provide an umbrella to support, coordinate and track off-balance sheet resource mobilization activities across the GPP Directorate and the Bank. It will be responsible for vetting resource mobilization metrics and targets and for periodic reporting on resource mobilization. It will develop a database to seamlessly



monitor progress and will serve as a resource center for GPP-led resource mobilization activities. It will also coordinate the Banks engagement with CSR players and institutional investors, including sovereign wealth funds (SWFs). Given the new strategy of the Bank focusing on developing and implementing partnerships and the need to identify the areas of focus for the resource mobilization function as per the best practice it is essential that a new resource mobilization strategy be developed with the assistance of consultancy services.

Furthermore, as planned earlier, a syndication desk for the PPP transactions would need to be established that would considerably enhance IsDB ability to mobilize funds from partners and other financial institutions in sustaining its PPP projects.

#### **Addressing Fragility, Disaster Risk Management and Resilience through partnerships and programs:**

The programs cover a number of new and scaled up partnership products and programs, mainly covering the following: Contributing to the MCPS in fragile contexts; (ii) Operationalization of the Fragility Financing Facility; (iii) Coordinate the work of the MDB Working Group and platform on Forced Displacement and Migration and FCV; and (iv) Conduct 1 steering committee meeting for partners for the flagship STEP program.

#### **Implementation of Climate Action Plan 2020-2025 and Advocacy at COP28**

The program oversees the implementation of the CC Action Plan, including through partnership development and

strengthening, mainstreaming of climate change in IsDB operations and climate aligned pipeline by: leading the showcasing and work of the IsDB Group at COP28 held at the UAE and organized at least 20 side events and launched critical programs; (ii) Organizing the set-up of the ISDB Group pavilion; and (iii) Facilitate and participate with the top management of the Bank at flagship international events on Climate Change. This includes events throughout the year such as Middle East Green Initiative, COP15 (UNCCD), and with key strategic partners such as Community Jameel, KAPSARC. By the end of 2023 the COP28 has achieved the following:

- CCED participated as a sponsor in MENA Climate Week, coordinated across IsDB the organization of 8 side events, also participating in other organizations' events and bilateral meetings.
- CCED coordinated the meetings of Senior Climate Advisors and Climate Heads of the MDB Working Group on Climate.
- CCED held several virtual meetings with UAE COP 28 Presidency to discuss priorities of IsDB and joint MDB priorities for COP28.
- CCED coordinated the preparation of joint MDB deliverables for COP28, including a country climate and development platform document and its executive summary, an MDB joint statement, and the coordination of the MDB pavilion side events preparation.

**As planned earlier, a syndication desk for the PPP transactions would need to be established that would considerably enhance IsDB ability to mobilize funds from partners and other financial institutions in sustaining its PPP projects.**



### Development And Roll Out of IsDB Environmental and Social Safeguards Program and Practices

The program seeks to address environmental and social impacts of and risks to IsDB operations, including through the operationalization and implementation of the IsDB Environmental and Social Safeguards items by: (i) supporting regional hubs at appraisal as they analyses and integrate environmental and social impact assessments (ESIAs) and environmental and social management plans (ESMPs) in PAD/RRM; (ii) developing a detailed guidance document on the assessment of individual safeguards, including compendium of relevant existing international laws and regulations, tools and guidelines for the use of IsDB project OTLs and ESS experts; and (iii) preparing the business process and guidelines on Environmental and Social Impact Assessments (ESIAs) and Environmental and Social Management Plans (ESMPs) for project.

### Review and/or create New Financial Products/Structures

The aim of this program is to deliver on the mandate of the Financial Engineering section. The plan is first to start reviewing and profiling existing products to identify gaps/opportunities for enhancing these products and creating new ones.

### Global Advocacy Program:

Partnerships, Global Advocacy & Resource Mobilization will provide backstopping for Global Advocacy activities, including but not limited to the bank's engagement with the OIC, COMCEC, UNGA, G20, PPF, FiCS, WEF, GPEDC and ECOSOC/HLPF. This participation aims to ensure adequate visibility and messaging consistency.



The Islamic Development Bank (IsDB) launched a 12-month culture refresh program starting August 2023 to reinvigorate its institutional culture, ensuring that leaders and staff embrace mindsets, values, and behaviors aligned with the organization's realigned strategy.

### Human Resource Strategies:

**Culture Refresh Program:** The Islamic Development Bank (IsDB) launched a 12-month culture refresh program starting August 2023 to reinvigorate its institutional culture, ensuring that leaders and staff embrace mindsets, values, and behaviors aligned with the organization's realigned strategy. The aim of the Culture Refresh Program is to:

- Define the mindsets, values, and behaviors essential for effectively realizing IsDB's new strategy (The IsDB Way).
- Engage the entire Bank in a dialogue about its unique culture, enabling employees and management to evaluate which elements of the Bank's culture should be upheld and celebrated and which require modification or replacement.
- Refine HR policies and processes to resonate with and reinforce this renewed culture.
- Develop a language and set of tools for management and employees to discuss culture in day-to-day operations.

The first phase of the culture refresh program was completed in December 2023 and culminated in a cultural assessment report to identify strengths and areas for improvement of IsDB Culture.



#### 4.3.4 Integrating Technology for Operational Efficiency

In 2018, a preliminary assessment was conducted to strengthen the role of IMDT within the Bank. It recommended that IsDB should have a comprehensive IsDB IT Strategy and Operating Model (ITSOM) aligned to the Bank's strategic priorities and to address the prevailing gaps.

The purpose of the IT Strategy is to upscale IMDT as a business enabler. Technology has become one of the key components in enabling businesses to achieve organizational strategic objectives in this dynamic global pace. The strategy delivery exercise was done in consultation with stakeholders in IsDB, and IT advisors and by international standards and best practices. Benchmarking exercises were also conducted across other MDBs to make comparisons and evaluate similar areas.

The strategy establishes and outlines the key objectives guiding the strategy in achieving IMDT's vision and mission, and the evolving role as a business partner by strengthening its position as a supporter, enabler, and disruptor. This translates the strategy to three (3) main functional pillars i.e., Business and IT alignment, Operational Maintenance and Emerging Technology. These 3 functional pillars define

six (6) strategic areas across Information Management, Application, Infrastructure, Cyber Security and Governance, Resourcing, and Innovation.

The overall strategy implementation is in the final year with completion of projects across the six strategic areas which has also aligned with the IsDB Realigned Strategy developed in 2022. The completion of ITSOM sets the fundamentals and a launch pad to expand digitalization across the bank which will be outlined as part of the development of a new digital strategy targeted for approval by end of 2024.

For example, the application of Artificial Intelligence requires several foundations in place such as information security, IT risk management, cloud infrastructure, secure remote access which are part of ITSOM projects. Development of quick wins as part of the digital strategy such as the digital business card leveraged on a platform called Neptune integrated with SAP platform are part of ITSOM's implementations. Project such as e-Disbursement and e-Project Procurement were also development leveraging on ITSOM's foundation across the integrated platform and secure remote access. The establishment of data governance across structured data with ERM as the pilot will also set the ground for expansion of application of information governance across unstructured data for development of information driven development in the new digital strategy.



CHAPTER

05

# CONCLUSION

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**In times of distress and adversity, the IsDB Group demonstrates the ability to swiftly respond and provide all means of support and solidarity to address humanitarian crises, providing much-needed relief and assistance to Member Countries facing natural disasters, internal conflicts, or health emergencies. These efforts underline IsDB Group's commitment to support its Member Countries in their most challenging times, and to assist them in normal conditions in carrying out their comprehensive and sustainable socio-economic development plans for the welfare of their peoples.**

Like the previous years, The IsDB has demonstrated its full commitment to the 57 Member Countries and Muslim communities in the non-Member Countries in the form of providing regular operations financing as well as developing special programs in the cases of emergency. This is evident

by the increase in operations financing every year as the Bank increased the 2023 operations financing to US\$4.3 billion from 2022's level of US\$3 billion.

2023 was the first year of the Realigned Strategy 2023-2025 and it has demonstrated the Bank's commitment to be the MDB of choice and as South-south organization. The Bank aims to "bettering lives and delivering impact" by: (i) Boosting recovery; (ii) tackling poverty and building resilience; and (iii) driving green economic growth. Impact-maximization through improving the quality at entry, timely implementation of projects, and focus on harnessing a performance and results-driven culture lies at the heart of Bank's operating model.

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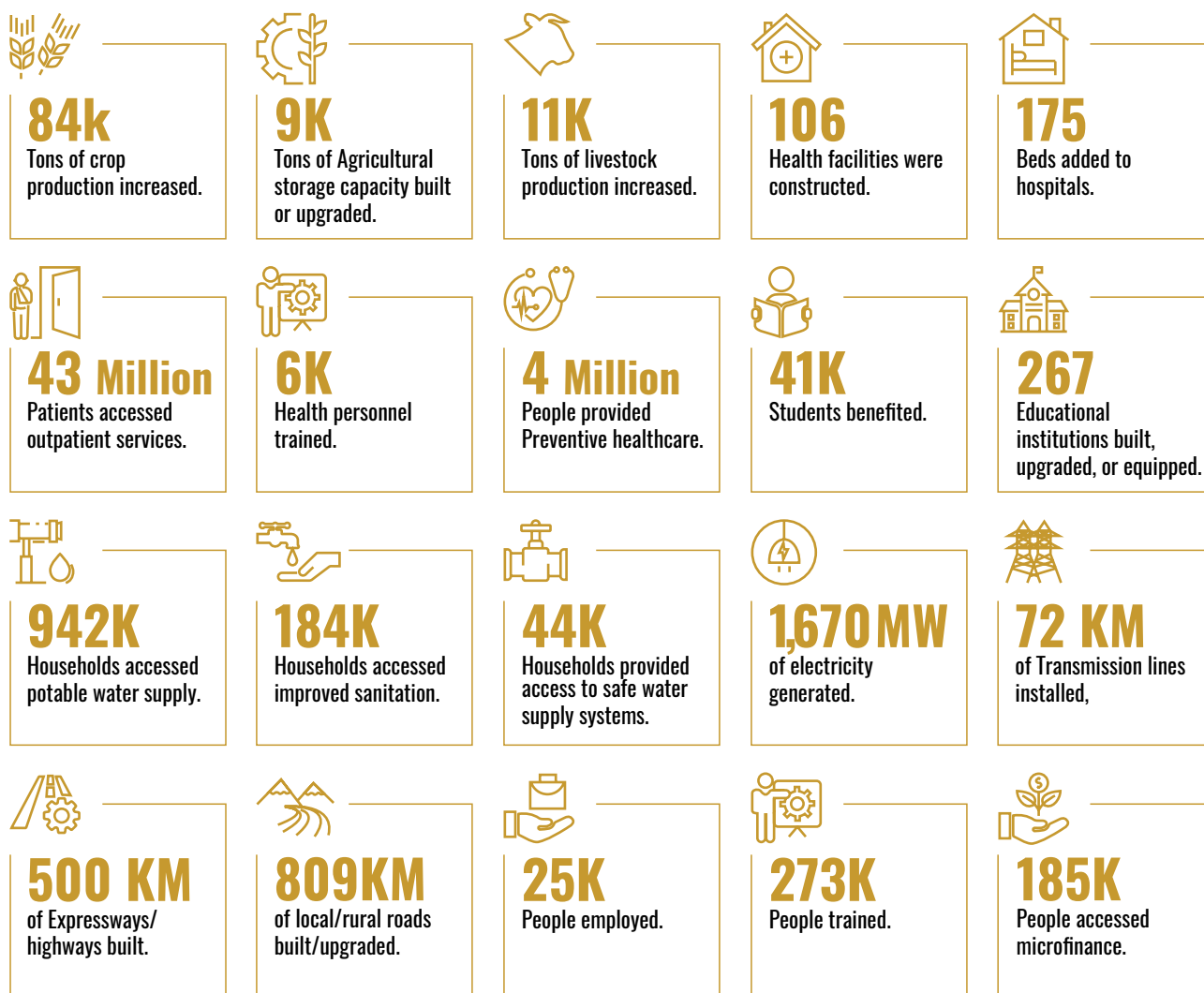


The Bank has demonstrated that via its Realigned Strategy, how important it is to be responsive and recalibrate its delivery in the core operations of the Bank in the sectors and regions that matter the most. Previously SPRP (Strategic Preparedness and Response Program) was timely developed to tackle the Covid-19 implications and now the FSRP (Food Security Response Program) amounting to US\$10.5 billion has been designed to provide immediate food shortages related support to the most needed in the MCs. The Bank is cognizant of the multi-faceted challenges faced by the MCs which have impacted their economic situation. In this regard development of a Resource Mobilization Framework and new financial products could provide a much-needed relief to the MCs.

Achieving results and making an impact is a continuous journey and this is evident in this ADER that how a holistic approach has been adopted to magnify the Bank's interventions in the form of effective monitoring of the results from the Bank's interventions.

## 5.1 SUMMARY OF RESULTS

The journey from financing the operation to achieving results is critical, and the Bank has made strong inroads to ensure that the right level of focus is paid towards development effectiveness. As a result, the Bank has contributed to substantial developmental impact as reflected in the results achieved by the Bank that have been captured in chapters 2 and 3 in a comprehensive manner. The Bank is monitoring and reporting these results across the two strategic pillars: (i) Pillar 1: Green, resilient, and sustainable infrastructure across the six (6) sectors of clean and renewable energy, sustainable multi-modal; transport, agriculture, and rural development, ICT and digitalization, social infrastructure and urban development, water, and sanitation; and (ii) inclusive human capital development across the areas of universal healthcare, resilient and quality education, nutrition and food security, social protection, and MSMEs and job creation. A summary of results from the projects and grants completed in 2023 are:



## 5.2 KEY CHALLENGES

The IsDB thrives on being a key South-south organization and is very suitably placed to play the role of socio-economic development for the Member Countries. In a fast-paced changing global environment there is a need to be continuously innovative so that the Bank can stay relevant to the latest developmental needs.

Keeping this in mind, the impact of the developmental effectiveness is judged by the results that the IsDB has brought on the lives of millions of people in the MCs and Muslim communities in non-Member Countries. The results are a demonstration of how people have benefitted from the Bank's interventions across six (6) sectors and five (5) thematic areas.

There are challenges outside the control of the Bank's operations and the increased reference rates is one such example. Hence, there are demands from the MCs for the Bank's interventions, for more concessional financing. The Bank aspires to increase concessional funding through the completion of LLF and scaling up partnership and resource mobilization initiatives.

In this regard off-balance sheet resource mobilization remains the area that requires more investment of time and resources from the Bank. There is a need to have an in-house, integrated resource mobilization approach for the

Bank that could bring together all the different partnership aspects to reach out to the donors.

Islamic Finance remains the Bank's unique value proposition and hence the Bank aims to delve deeper into this area by leveraging the strength of the MCs and the prevailing Islamic Finance ecosystem.

Operational efficiency and organizational effectiveness is a top priority for the Bank. Making the Bank more efficient in the form of improved productivity is of the essence and necessitates continuous improvements and as the cost optimization project is a good step in this direction.

The IEvD (Independent Evaluations Department)'s Annual Evaluation report highlights the lessons learnt from the previously completed projects. These lessons should be captured in the programming and future design of projects to ensure enhanced operational delivery and results in a sustainable manner.

## 5.3 WAY FORWARD

The Bank is fully conscious of the exogenous, and endogenous challenges faced because of global shifts due to geo-political situation, natural disasters, regional conflicts, and climate change effects. This is reflected in the Realigned Strategy 2023-2025 as MCs' needs and challenges have been prioritized to provide Bank's response to these pressing challenges.







In this regard, the 2024 Operations Work Program is sourced from two (2) broad categories of projects: (i) Category-A, contains the list of potential projects at the advanced stage of readiness for processing. Category B, on the other hand, contains a list of potential projects requiring improvements for consideration as being ready for processing. It is pertinent to note that the operations pipeline composed of Category-A and Category-B projects is developed by the regional hubs through an iterative process that considers both the supply and demand-side factors. The supply side reflects the Bank's internal financial, organizational, and human capacity. The demand side reflects the actual development needs and priorities of MCs drawn from the extensive feedback from the Governors' Roundtables in 2021, 2022 and 2023.

In this regard, priority for inclusion of projects in the 2024 Work Program from the operations pipeline is being given for those projects that:

- a) Align with the Strategic Realignment 2023-2025 of the Bank.
- b) Significantly enhance the green asset base of the Bank

- c) Align with the Food Security Response Program (FSRP).
- d) Align with the Renewable Energy Cooperation Program to Power Africa (RECPA) to support the development of Renewable Energy ecosystems for the benefit of IsDB Member Countries in Sub-Saharan Africa.

As per the IWP 2024, the Operations Work Program is targeted to be at US\$4.5 billion which reflects an increase of \$0.5 billion from the 2023 operations plan. The provisional 2024 Work Program has been preliminarily assessed on its alignment with the Bank's Realigned Strategy whereby 71% of the projects are aligned with the strategic pillar of Green, Sustainable, and Resilient Infrastructure and 29% with Inclusive Human Development. This is in line with the historic distribution of the Operations Work Program between infrastructure and social sector projects.

The IsDB is on a growth trajectory whereby this growth is aimed to have a sustainable developmental impact on the MCs and Muslim communities in non-Member Countries in an effective and efficient manner. This ADER is a testament of the Bank's focus towards enhancing the results and making a long-term impact.

**Acknowledgement**

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