

DIGEST

IsDB 
البنك الإسلامي للتنمية
Islamic Development Bank



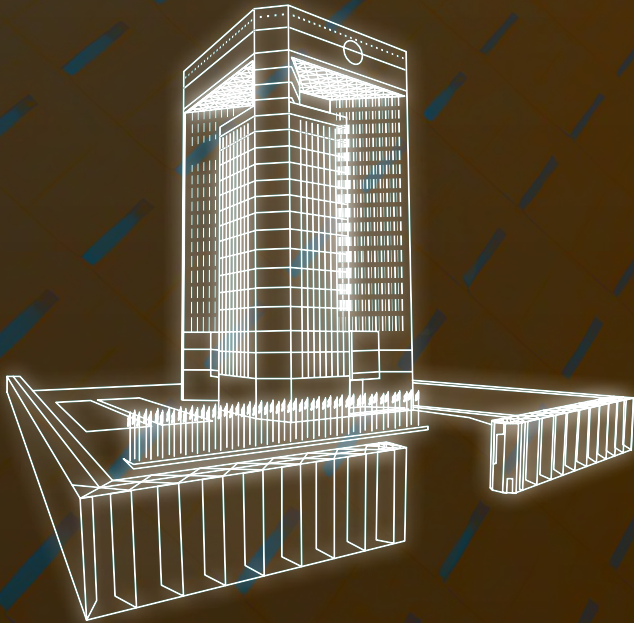
AN ESSENTIAL GUIDE TO THE

2025

ANNUAL REPORT

CORPORATE PROFILE

THE ISLAMIC DEVELOPMENT BANK



ESTABLISHMENT

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

VISION

IsDB Group strives to become the development partner of choice for its member countries, inspired by Islamic principles, that helps transform the landscape of comprehensive human development in the Muslim world and preserve human dignity.

MISSION

The IsDB Group exists to foster economic development and social progress of member countries and Muslim communities individually as well as jointly in accordance with the principles of the Shari'ah.

MEMBERSHIP

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

CAPITAL

As at the end of 2025, the subscribed capital of the IsDB stood at ID 65.6 billion.

ISLAMIC DEVELOPMENT BANK GROUP

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

HEADQUARTER AND REGIONAL HUBS

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

FINANCIAL YEAR

The Hijra calendar is the official calendar of the Bank. However, the Financial Year of the Bank begins from 1st of January and ends on to 31st of December of every year.

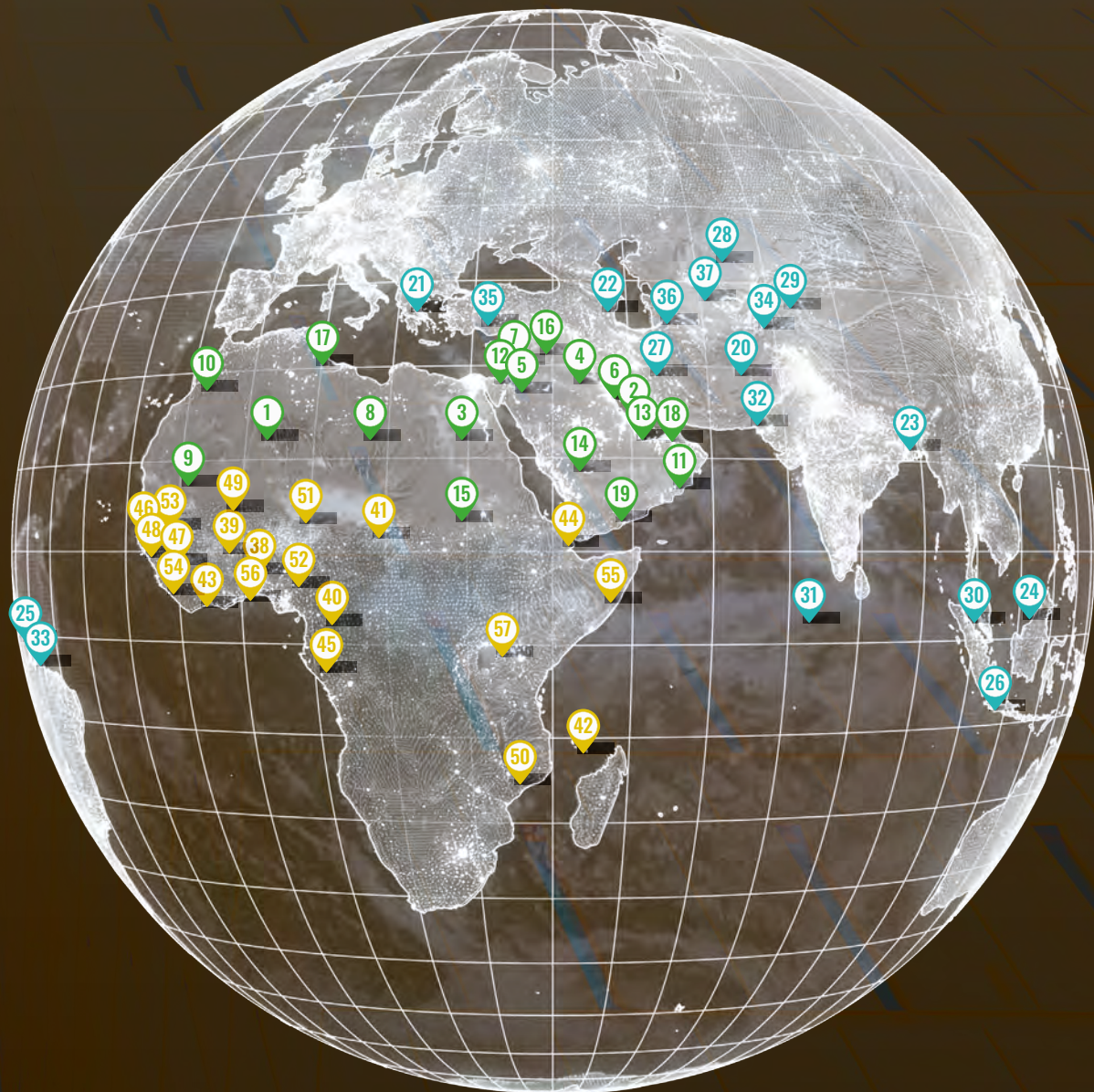
ACCOUNTING UNIT

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

LANGUAGE

The official language of the IsDB is Arabic. In addition, English and French are working languages.

WHERE WE OPERATE



MIDDLE EAST AND NORTH AFRICA (MENA)

- 1 ALGERIA
- 2 BAHRAIN
- 3 EGYPT
- 4 IRAQ
- 5 JORDAN
- 6 KUWAIT
- 7 LEBANON
- 8 LIBYA
- 9 MAURITANIA
- 10 MOROCCO
- 11 OMAN
- 12 PALESTINE
- 13 QATAR
- 14 SAUDI ARABIA
- 15 SUDAN
- 16 SYRIA
- 17 TUNISIA
- 18 U.A.E.
- 19 YEMEN



ASIA, LATIN AMERICA & EUROPE (ALAE)

- 20 AFGHANISTAN
- 21 ALBANIA
- 22 AZERBAIJAN
- 23 BANGLADESH
- 24 BRUNEI
- 25 GUYANA
- 26 INDONESIA
- 27 IRAN
- 28 KAZAKHSTAN
- 29 KYRGYZ REPUBLIC
- 30 MALAYSIA
- 31 MALDIVES
- 32 PAKISTAN
- 33 SURINAME
- 34 TAJIKISTAN
- 35 TÜRKIYE
- 36 TURKMENISTAN
- 37 UZBEKISTAN



SUB SAHARAN AFRICA (SSA)

- 38 BENIN
- 39 BURKINA FASO
- 40 CAMEROON
- 41 CHAD
- 42 COMOROS
- 43 CÔTE D'IVOIRE
- 44 DJIBOUTI
- 45 GABON
- 46 GAMBIA
- 47 GUINEA
- 48 GUINEA-BISSAU
- 49 MALI
- 50 MOZAMBIQUE
- 51 NIGER
- 52 NIGERIA
- 53 SENEGAL
- 54 SIERRA LEONE
- 55 SOMALIA
- 56 TOGO
- 57 UGANDA

MESSAGE FROM THE PRESIDENT

Geopolitical fragmentation, escalating regional tensions, and persistent structural vulnerabilities continued to shape the global development landscape in 2025. Conflicts across multiple regions disrupted trade routes, strained public finances, and deepened humanitarian needs, while inflationary pressures, though moderating, continued to weigh on vulnerable populations. Financial conditions gradually eased, yet growth remained uneven, and debt burdens rose across many emerging and developing economies.

For the member countries of the Islamic Development Bank (IsDB), these dynamics were compounded by structural challenges, climate risks, and the ongoing imperative to accelerate inclusive and sustainable growth. The evolving geopolitical environment has heightened uncertainty in global trade, investment, energy, and food security. These risks, combined with the broader transition toward a greener and more digital global economy, underscore the importance of adaptive development financing. IsDB continues to align its operations with macroeconomic realities and risk assessments, in close coordination with relevant regional and institutional partners, to ensure its interventions remain timely and effective.

It is against this backdrop that the establishment of the IsDB Concessional Fund (ICF) represents a landmark achievement in the Bank's institutional evolution. The ICF reflects IsDB's strengthened commitment to its most vulnerable member countries by providing dedicated, concessional resources calibrated to address the most acute development challenges, including poverty, food insecurity, and infrastructure gaps.

As the pressures outlined above continue to intensify, particularly for low-income and fragile member states with limited fiscal space and high exposure to external shocks, the ICF equips the Bank with a targeted instrument to deploy timely, affordable financing where development needs are greatest. In doing so, it reinforces IsDB's role not merely as a financier but as a resilience partner for its membership in navigating an increasingly complex and uncertain global landscape.

Even as the external environment grew more challenging, IsDB delivered a strong operational performance in 2025. Financing approvals reached US\$ 5.7 billion, surpassing operational targets, while portfolio quality remained sound. The Bank's ability to attract co-financing from development partners amplified the impact of every dollar deployed, underscoring its catalytic role in mobilizing global resources for development. Disbursements were sustained at pace, project implementation remained on track, and 77 projects were successfully completed across member countries.

With the ICF now adding a dedicated concessional financing stream to the Bank's toolkit, IsDB enters 2026 better equipped than ever to scale up its support, respond to emerging crises, and direct development resources with precision toward the member countries and sectors where the need and the opportunity for transformative impact are greatest.

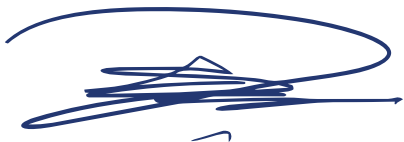
IsDB-OCR's performance in 2025 was exceptionally strong, with net income of ID638.4 million, up 64% from 2024, driven by robust performance across core operations and significant gains from the disposal of equity investments. This financial strength is the bedrock upon which the Bank's ability to support its member countries in times of need is built. A robust balance sheet, a healthy debt-to-equity ratio, and a well-managed liquidity position, underpinned by the continued capital commitment of member countries, collectively ensure that IsDB can sustain its developmental ambitions and scale up its response when member countries face their most pressing challenges.

The reaffirmation of IsDB's AAA credit rating is a testament to this institutional strength and a powerful signal to partners, markets, and member countries alike that the Bank stands on firm ground, with both the capacity and the resolve to mobilize resources at scale.

“As we enter our sixth decade of operations, the IsDB remains firmly committed to transforming development challenges into opportunities, diversifying economies, empowering people, and enriching lives across the Muslim world.”

The year 2025 marked a significant institutional milestone in the Bank’s history. At the 2025 Annual Meetings in Algiers, the Board of Governors endorsed the IsDB Group Ten-Year Strategic Framework (2026-2035), establishing a comprehensive and forward-looking roadmap to guide the Bank through its next decade of operations. Grounded in the principles of governance excellence, enhanced concessional financing, expanded institutional partnerships, strengthened leadership in Islamic finance, and deeper South-South cooperation, the Framework articulates the Bank’s long-term development priorities and reaffirms its enduring commitment to sustainable development.

As we enter our sixth decade of operations, the IsDB remains firmly committed to transforming development challenges into opportunities, diversifying economies, empowering people, and enriching lives across the Muslim world.



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





In 2025, the Islamic Development Bank continued to advance its mission of promoting sustainable development and shared prosperity across its member countries. In a challenging global environment, the Bank delivered tangible results, strengthened partnerships and scaled up efforts in areas such as private sector development, climate action and economic resilience. This digest highlights key achievements and outcomes, reflecting IsDB's commitment to long-term development impact.

CHAPTER 1 IsDB GROUP ACTIVITIES

This chapter outlines the principal achievements of the IsDB Group, comprising of the Islamic Development Bank (IsDB) and its affiliates, the Islamic Development Bank Institute (IsDBI), the Islamic Corporation for the Development of the Private Sector (ICD), the Islamic Corporation for the Insurance of Investment and Export Credit (ICIEC), and the International Islamic Trade Finance Corporation (ITFC). While the IsDB serves as the central development institution, these affiliates collectively provide a broad range of financial solutions, trade and investment facilitation, and private sector support to member countries.



CHAPTER 2 DRIVING INCLUSIVE AND RESILIENT DEVELOPMENT

Chapter 2 examines how the Bank deployed its resources in 2025 to respond to member countries' evolving development needs. It demonstrates how strategic commitments were translated into tangible interventions that advanced inclusive growth, resilience, and sustainable development across member countries.

CHAPTER 3 STRENGTHENING INSTITUTIONAL PERFORMANCE AND GOVERNANCE

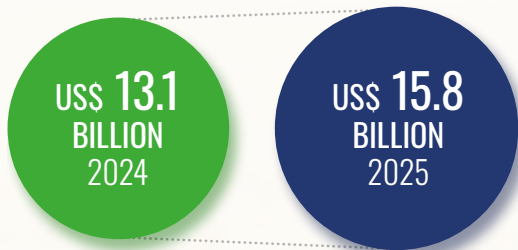
Chapter 3 outlines the institutional, financial, and governance foundations that underpin the Bank's development mandate. It highlights the systems, risk management practices, and organizational initiatives that strengthen operational effectiveness and safeguard the Bank's long-term sustainability.

EXECUTIVE SUMMARY: A YEAR IN REVIEW

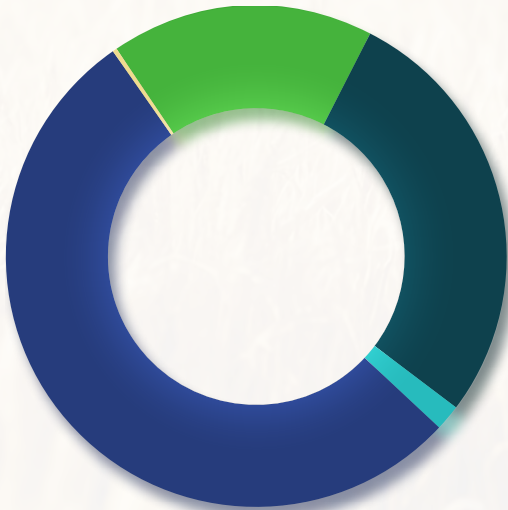
In 2025, the IsDB Group consolidated its role as a leading multilateral development partner for its member countries amid a complex global economic environment. While global growth moderated slightly to 3.4%, member countries recorded aggregate growth of 4.0%, supported by improved macroeconomic management and easing inflationary pressures.

SCALING UP DEVELOPMENT FINANCING

Total annual net approvals reached **US\$ 15.8 billion**, up from US\$ 13.1 billion in 2024, reflecting a 20.2% increase. The Group's cumulative net approvals rose to **US\$ 209.6 billion**.



● ISFD US\$ 77.0 MILLION ● ISDB-OCR US\$ 5.7 BILLION ● ITFC US\$ 9.3 BILLION



● ICIEC US\$ 17.8 BILLION IN BUSINESS INSURED ● ICD US\$ 555.6 MILLION

DISBURSEMENTS INCREASED TO **US\$ 11 BILLION**, REPRESENTING 69.7% OF NET APPROVALS.

ADVANCING HUMAN DEVELOPMENT

Health and agriculture remained central priorities. Health financing increased significantly, accounting for **16.1% of IsDB-OCR annual approvals**, compared to 3.7% in 2024. Agriculture and food security operations continued under the Food Security Response Program, supporting sustainable agricultural productivity and resilience.

Financing for water, sanitation, and urban services rose to **20% of IsDB-OCR approvals**, while transportation maintained the largest sectoral share at **46.2%**.

Scholarship programs, technical assistance, and economic empowerment initiatives continued to support human capital formation, women and youth inclusion, and MSME development.

BUILDING RESILIENCE AND SUSTAINABILITY

Climate finance exceeded institutional targets, representing **42% of total financing commitments**. Infrastructure investments in renewable energy, resilient water systems, and sustainable transport strengthened long-term growth prospects.

OPERATIONAL EXCELLENCE

Approvals reached **103% of the annual target**, while disbursements achieved **115% of target levels**. Portfolio indicators remained within institutional thresholds, and 77 projects were closed successfully during the year.

STRENGTHENING GOVERNANCE

In 2025, IsDB strengthened its enterprise risk management, Shariah governance systems, and digital transformation initiatives.

“Agriculture and food security operations continued under the Food Security Response Program, supporting sustainable agricultural productivity and resilience.”



2025 AT A GLANCE

FINANCIAL PERFORMANCE

US\$ 15.8 BILLION
IN TOTAL ISDB GROUP NET APPROVALS
(UP 20.2% FROM 2024)

US\$ 13.1 BILLION
2024

US\$ 15.8 BILLION
2025

APPROVAL
ACHIEVEMENT RATE:
103%
OF ANNUAL TARGET

US\$ 5.7 BILLION

ISDB-OCR
APPROVALS
(103% OF ANNUAL
TARGET)

US\$ 9.3 BILLION

ITFC TRADE
FINANCE
APPROVALS

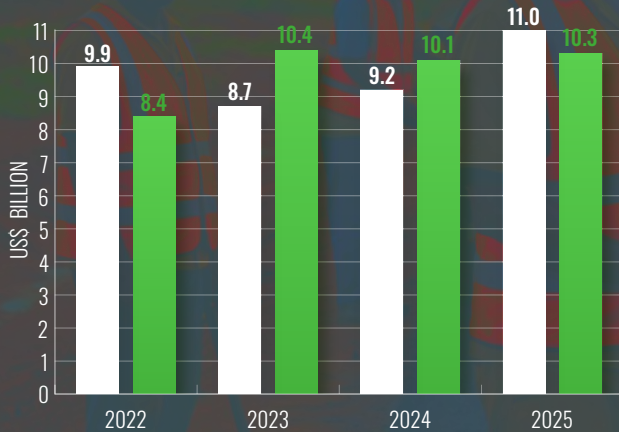
US\$ 555.6 MILLION
ICD PRIVATE
SECTOR FINANCING

US\$ 77.0 MILLION
ISFD APPROVALS

US\$ 17.8 BILLION

BUSINESS INSURED
BY ICIEC (UP 37.8%
FROM 2024)

OPERATIONAL PERFORMANCE



DISBURSEMENTS:
US\$ 11.0 BILLION
(69.7% OF NET APPROVALS)

REPAYMENTS:
US\$ 10.3 BILLION,
EXCEEDING PRE-PANDEMIC LEVELS

DISBURSEMENT ACHIEVEMENT RATE:
115%
OF ANNUAL TARGET

AVERAGE IMPLEMENTATION AGE:
MAINTAINED BELOW
4.8 YEAR THRESHOLD

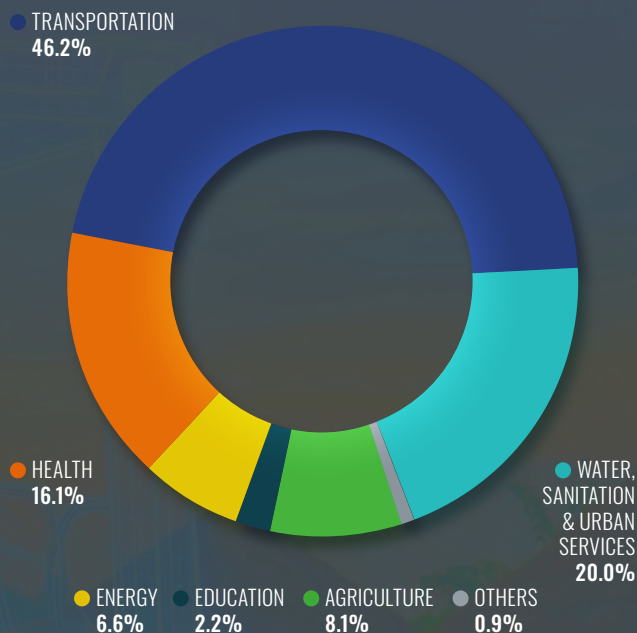
PROJECTS CLOSED:
77

AGEING PROJECTS MAINTAINED BELOW
30% INSTITUTIONAL BENCHMARK



EVERY US\$ 1 OF ISDB FINANCING MOBILIZED
US\$ 1.03 IN CO-FINANCING

SECTORAL PRIORITIES (IsDB-OCR APPROVALS)



SECTORAL PRIORITIES (IsDB-OCR)

TRANSPORTATION:
46.2%
OF TOTAL APPROVALS

WATER, SANITATION & URBAN SERVICES:
20%

HEALTH:
16.1%
(UP FROM 3.7% IN 2024)

AGRICULTURE & FOOD SECURITY: EXPANDED UNDER FOOD SECURITY RESPONSE PROGRAM

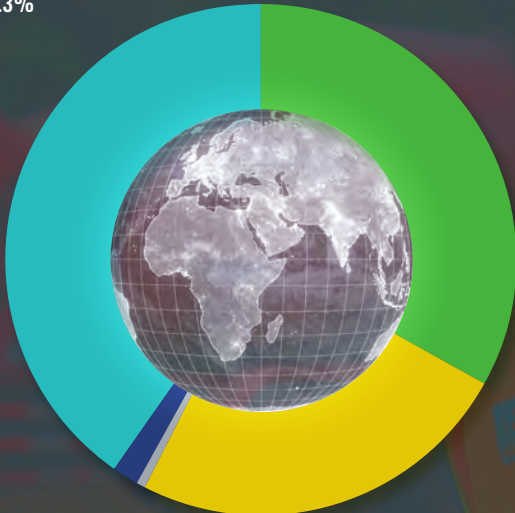
CLIMATE FINANCE REACHED
42%
OF TOTAL FINANCING COMMITMENTS, EXCEEDING THE 35% INSTITUTIONAL TARGET

2025 AT A GLANCE (CONTINUED)

REGIONAL APPROVALS (IsDB GROUP)

● ASIA, LATIN AMERICA & EUROPE
40.3%

● MIDDLE EAST & NORTH AFRICA
33.1%



● REGIONAL PROJECTS
1.4%

● NON-MEMBER COUNTRIES
0.7%

● SUB-SAHARAN AFRICA
24.5%

SUB-SAHARAN AFRICA (SSA):

24.5%

ASIA, LATIN AMERICA AND EUROPE (ALAE):

40.3%

MIDDLE EAST AND NORTH AFRICA (MENA):

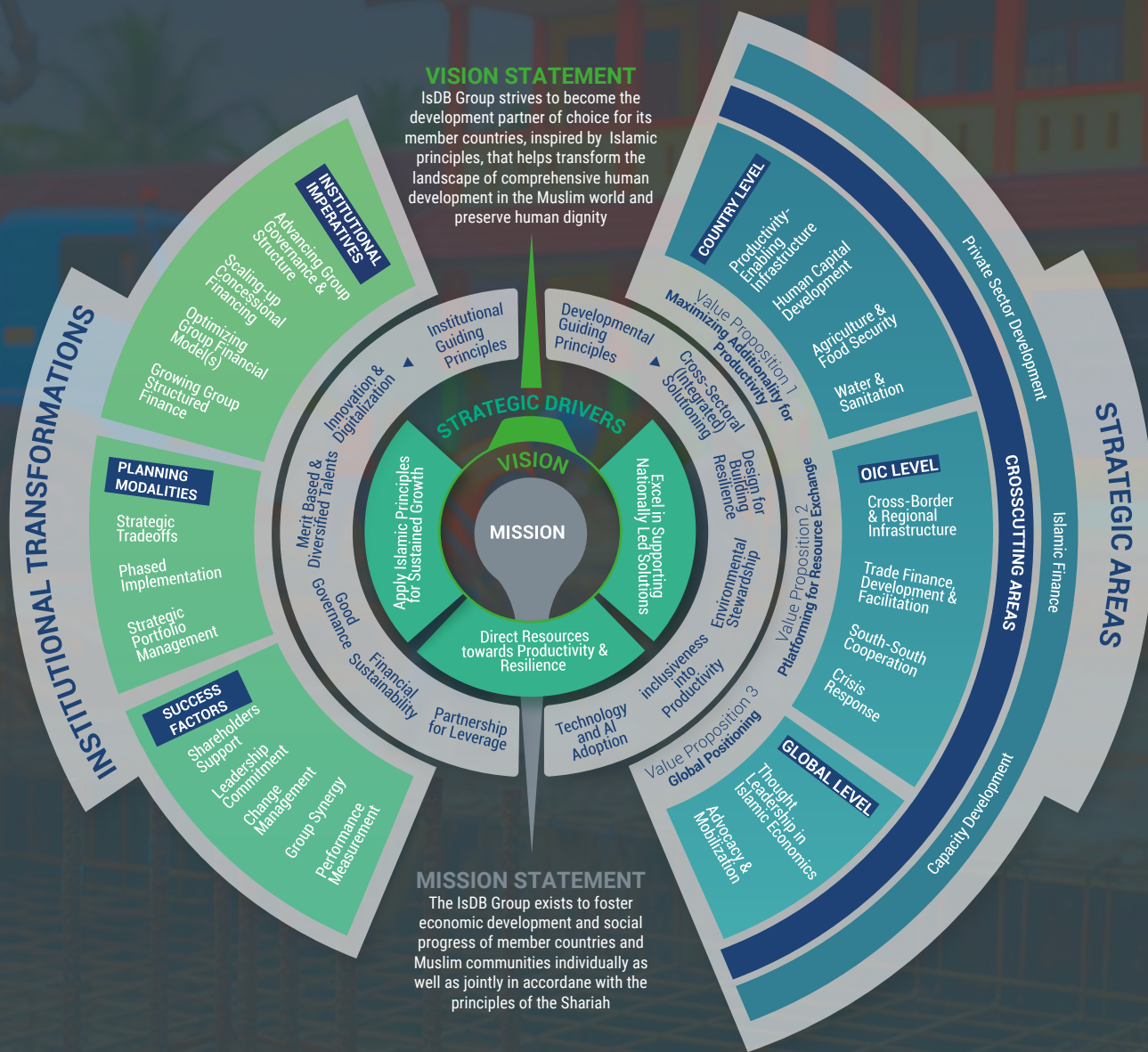
33.1%

Approvals in Sub-Saharan Africa (SSA) grew from 22.6% in 2024 to 24.5% in 2025 with the Middle East and North Africa (MENA) also increasing from 26.6% to 33.1% during the same period. Meanwhile, approvals in the Asia, Latin America, and Europe (ALAE) region declined from 47.7% in 2024 to 40.3% in 2025.



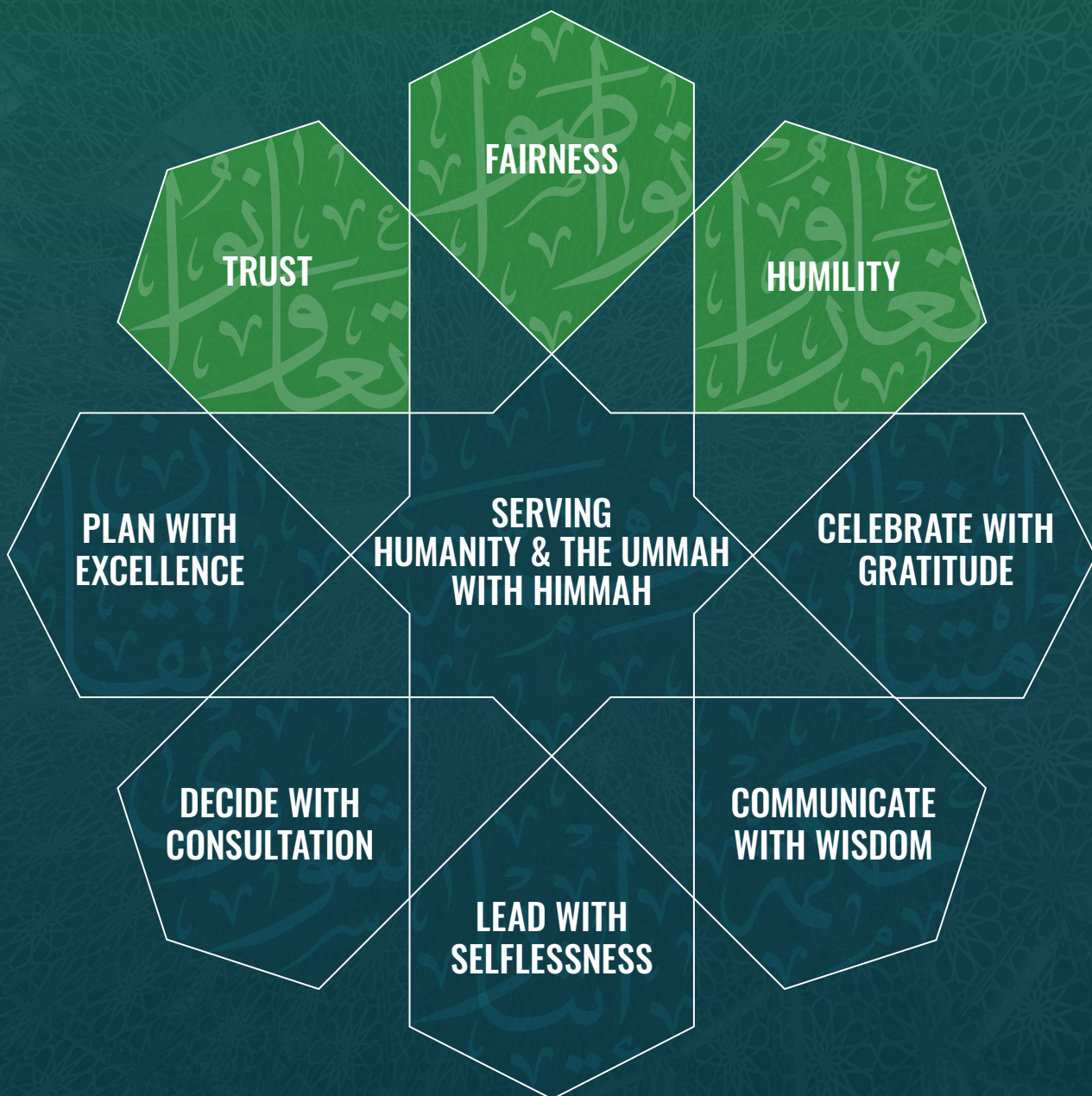
STRATEGIC MILESTONES

APPROVAL OF THE ISDB GROUP 10-YEAR STRATEGIC FRAMEWORK (2026-2035)



“Anchored in Islamic principles of solidarity, justice, and trust, the Strategic Framework reaffirms the Group’s mission to foster economic development and social progress of member countries and Muslim communities.”

“The Culture Refresh culminated in the articulation of “The IsDB Way”, a values-based cultural framework that translates Islamic principles into practical organizational behaviors for a modern development institution.”



IsDB CONCESSIONAL FUND (ICF): CONCESSIONAL FINANCE FOR A RESILIENT FUTURE

WHAT IS ICF?



AT A GLANCE

ICF is a replenishable Special Fund established by IsDB to provide highly concessional financing exclusively to the Bank's 27 LDMCs.



CORE PURPOSE

To build economic resilience, combat poverty, and foster social progress without worsening existing debt burdens.



GUIDING PRINCIPLE

ICF is rooted in IsDB's principle of solidarity.

WHAT ARE ICF OBJECTIVES?



CONCESSIONAL FINANCING

To channel significant concessional resources directly to LDMCs.



PREDICTABILITY AND AGILITY

To ensure predictable, agile, and debt-sensitive support.



RESILIENCE

To foster resilience, inclusive growth, and human dignity.

WHAT IS ICF IMPACT FOCUS?



HEALTH



EDUCATION



FOOD SECURITY



CLIMATE RESILIENCE



SOCIAL INFRASTRUCTURE

HOW DOES ICF WORK?



COUNTRY NEEDS

Assessment of income per capita, debt sustainability, and exposure to extreme fragility and conflict.



STRATEGIC ALIGNMENT

Projects must align closely with national development strategies and the IsDB Ten-Year Strategic Framework.



PERFORMANCE

Prioritizing projects that score high on delivery efficiency and developmental results.

ICF IN NUMBERS

27 LEAST DEVELOPED MEMBER COUNTRIES TARGETED.

15% OF ISDB'S ANNUAL APPROVALS DEDICATED FOR CONCESSIONAL FINANCING, INCLUDING 10% DRAWN DIRECTLY FROM ICF.

OVER **US\$3.6** BILLION OF AVAILABLE ASSETS REPURPOSED.

20% OF ISDB'S ANNUAL NET INCOME ANCHORS THE FUND FOR FIVE YEARS (2026-2030).

5-YEAR REPLENISHMENT CYCLE FOR PREDICTABILITY AND SUSTAINABILITY.

A FUND FOR THE FUTURE: ICF IS MORE THAN FINANCE, IT IS A COMMITMENT TO:



EQUITY OVER CHARITY



RESILIENCE OVER RISK







PARTNERSHIP OVER STAGNATION








As we prepare to enter a new strategic cycle, the IsDB Group remains firmly committed to transforming development challenges into opportunities – diversifying economies, empowering people, and enriching lives across the Muslim world.

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

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