



IsDB 
 البنك الإسلامي للتنمية
Islamic Development Bank



IsDB Group Private Sector Profile 2025

ISLAMIC DEVELOPMENT BANK (IsDB)

Bettering Lives, Delivering Impact

Boosting Recovery, Tackling Poverty & Building Resilience, Driving Green Economic Growth



Who We Are

The Islamic Development Bank is a multilateral development bank (MDB), working to improve the lives of those we serve by promoting social and economic development in Member countries and Muslim communities worldwide, delivering impact at scale.

We provide the infrastructure to enable people to lead better lives and achieve their full potential.

Our Mission

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

**We are
global leaders
in Islamic finance**

What we do

At the Islamic Development Bank, we equip people with the tools they need to build a sustainable future for themselves, their communities and their countries, putting the infrastructure in place to enable them to reach their full potential.

We build collaborative partnerships between communities and nations, across our 57 member nations. We bring together the public and private sectors as well as with civil societies and the development sector through Public Private **Partnerships** and other joint projects.

We are global leaders in Islamic finance, providing long term sustainable and ethical financing structures to underpin our project investments. In the last two decades, the IsDB has secured an AAA rating, and become the largest global issuer of Sukuk, through which we fund research and training to develop the future of Islamic banking and finance. We have successfully deepened and broadened our investor base and enhanced our profile in the international capital markets.

We foster innovative and sustainable solutions to the world's greatest development challenges, as we work towards UN Sustainable Development Goals.

We boost the **value chain** of developing economies by investing in training and skills, research and development, so they can generate and retain greater economic prosperity at home, instead of exporting that value abroad.



THE ISLAMIC CORPORATION FOR THE INSURANCE OF INVESTMENT & EXPORT CREDIT (ICIEC)

Boosting Food Security, Mitigating Climate Change, and Fueling Economic Growth Through Innovative Trade and Project Finance Insurance



ICIEC Development Footprint	Since Inception (in USD Bn)
Business insured facilitated	121.17
Export transactions facilitated	95.99
Investments transactions facilitated	25.17
Intra-OIC trade and investment facilitated	56.94



Who we are

ICIEC is a multilateral export credit and investment insurance entity based in Jeddah, Saudi Arabia and established in 1994. It is a member of the Islamic Development Bank Group and has 50 OIC member states as its shareholders. ICIEC has representative offices in Riyadh, Dubai, Istanbul, Dakar, Jakarta, Rabat, Cairo and Dhaka. ICIEC provides Shariah-compliant credit and political risk insurance and reinsurance solutions to increase the scope of trade transactions and facilitate the flow of foreign direct investments into its member states (MSs).

Our Vision

To be recognized as the preferred enabler of trade and investment for sustainable economic development in Member Countries.

Our Mission

To facilitate trade and investment between member countries and the world through Shariah-compliant risk mitigation tools.

Aa3 by **Moody's** for the 17th consecutive year.

AA- long-term Issuer Credit Rating by **S&P** with Stable Outlook.

ICIEC Trade and Investment Insurance and Reinsurance Solutions

Supplier Credit Insurance

Offered to exporters and contractors in member and non-member states, covering their receivables against the risk of nonpayment by their overseas customers. In the case of non-member state exporters, the covered goods must be imports of capital equipment or strategic goods into a member state. The reason for non-payment could be commercial, such as the buyer's insolvency, or political in relation to the buyer's country. The standard percentage of coverage, in this case, is 90% of the incurred loss, and an additional premium is required if pre-shipment risk coverage is added.

Reinsurance

ICIEC works with its reinsurance partners to create the necessary capacity to support larger business volumes. It focuses on significantly increasing the inward reinsurance businesses with export credit agencies (ECAs) in Member States while enhancing relationships with ECAs in other countries.

Insurance of Confirmed Letters of Credit

Offered to financial institutions covering their confirmation of Letter of Credit issued for imports of Goods and Services, thereby enhancing the creditworthiness of Banks in ICIEC Member States. The standard percentage of cover is 90% of the incurred loss for political and commercial risks.

Trade Finance Insurance

Protects financial institutions against the risk of nonpayment of trade receivables assigned to them by their import and export clients. The standard percentage of cover is 90% of the incurred loss arising from political and commercial risks.

Investment Insurance

Cover Foreign Direct Investments (FDI) against the political risk of the host member state, such as war, civil disturbance, expropriation, breach of contract, transfer and convertibility restrictions. The standard percentage of coverage is 90% of the equity.

Credit Enhancement Solutions

Protects lenders against the risk of non-honouring of financial obligations by member states and State-Owned Enterprises of eligible projects financed by the lenders. These solutions also provide coverage for and improve the ratings for capital market transactions such as Sukuk. The standard percentage of cover is 95% of the financing facility or 99% for Sukuk.

ICIEC Commitments to SDGs



SDG 2: USD 1.8 billion

Trade and investment related to agricultural sector



SDG 3: USD 3.1 billion

Trade and investment related to health sector



SDG 7: USD 52.1 billion

Trade and investment related to the energy sector



SDG 8: USD 17.7 billion

For imports, exports, outward and inward investment in low-income Member States and USD 3.3 billion in labor-intensive industries.



SDG 9: USD 7.2 billion

Trade and investment related to infrastructure



SDG 13: USD 3.3 billion

Trade and investment related to green projects



SDG 17: ICIEC has established more than 172 partnerships with national ECAs, reinsurers, banks, and other multilateral institutions

ICIEC's commitment to climate action

From ICIEC's vantage point, export credit insurance and political risk insurance are instrumental tools in addressing the climate action finance gap. The Corporation remains steadfast in its mission to support its Member States in their endeavors to counteract and adapt to climate change challenges. The intricate interplay of the water, energy and food nexus encapsulates the spectrum of climate action challenges, and this is mirrored in the diverse projects ICIEC provides support to.

Through its innovative solutions, ICIEC not only provides a safety net against non-payment risks in international trade value chains that support sustainability but also champions green investments. It is noteworthy that ICIEC has allocated a substantial USD 5.36 billion of its cover towards clean energy projects, underscoring its commitment to fostering a sustainable future.

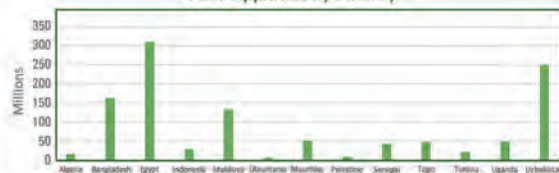
A testament to ICIEC's innovative approach is the introduction of the Green Sukuk Insurance Policy, designed to galvanize capital for environmentally friendly projects. ICIEC's membership in ETAF (energy transition accelerator financing platform), managed by the International Renewable Energy Agency (IRENA), and the Berne Union Climate Group, reflect its position as an industry leader that is at the forefront of developments and discussions on sustainable development.



ICIEC's contribution to the IsDB Group Food Security Response Program

Following global crises including pandemics and wars, global food prices skyrocketed, leading to food crises, especially among the developing countries. In response, the IsDB Group set aside financial resources to the tune of USD 10.5 billion over three years. In 2024, ICIEC continued providing support to Member States that had been affected negatively by the food crisis. From the inception of the FRSP in July 2022 until December 2024, ICIEC's approvals for food-related transactions reached USD 1.12 billion, exceeding the pledge of USD 500 million that had been committed until 31 December 2025, by more than 123%.

FSRP Approvals by Country



ICIEC's support for food security-related transactions has positively touched the lives of millions of people in several Member States. So far, ICIEC contributions have benefitted beneficiaries in Sub-Saharan Africa (Senegal, Togo and Uganda), MENA (Algeria, Egypt, Mauritania, Palestine and Tunisia), and Asia (Bangladesh, Indonesia, Maldives, and Uzbekistan). Furthermore, ICIEC facilitated banking transactions in its Member States, enabling the import of agricultural equipment, fertilizers, sugar, wheat, soya beans, canola, and other grains. In addition, ICIEC supported investments for the modernization of the agriculture sector which will reinforce the resilience against food crisis in the future.

ICIEC Flagship Initiatives and Programs



The OIC Business Intelligence Center:

The OIC Business Intelligence Center (OBIC) is an initiative of the ICIEC that aims to provide accessible and affordable information and credit data on businesses across the Organization of Islamic Cooperation (OIC). Its four strategic pillars are country-level credit reporting ecosystem development, cross-OIC credit data infrastructure, capacity building and development, and operational excellence with a sustainable business model.

AMAN UNION:

The AMAN UNION is a professional forum assembling Commercial & Non-commercial Risks Insurers & Reinsurers from Member States of the Organization of the Islamic Cooperation (OIC) and the Arab Investment & Export Credit Guarantee Corporation (DHAMAN). It was established in 2009 following a bilateral agreement between ICIEC and DHAMAN to join efforts for creating a union for commercial and non-commercial risks Insurers and Reinsurers.

Arab Africa Guarantee Fund (AAGF):

AAGF was approved by the 3rd Board of Governors Meeting of the Arab Africa Trade Bridges Program. It provides financial resources and risk mitigation capacity to support trade and investment in Arab and African countries. The fund comprises three sub-funds, including an Arab Africa Green Facility, an Arab Africa Food Security Facility, and an Arab Africa Health Facility.

Arab-Africa Trade Bridges Programme:

ICIEC is a founding member of the Arab-Africa Trade Bridges Programme (AATB), an international program designed to increase trade and investment flows between the Arab and African regions. Since its inception, ICIEC has closed USD 25 million worth of transactions through the program and aims to continue partnering with AATB Member Institutions to grow the program for the benefit of its member states. ICIEC also contributed to the AATB Food Security Program by insuring more than USD 75 million-worth of export of strategic goods.

The Africa Co-Guarantee Platform:

Six partners have pledged to de-risk investment across Africa by providing direct transaction support, developing new and hybrid products, and building capacity in the use of risk mitigation instruments. The partners are the African Development Bank, the Islamic Corporation for the Insurance of Investment and Export Credit Insurance (ICIEC), African Trade Insurance Agency (ATI), African Union Development Agency (AUDA-NEPAD), GuarantCo (part of PIDG, the Private Infrastructure Development Group), and Afreximbank.

ICIEC Role in Facilitating Intra-OIC Trade and Investments

- ICIEC plays a crucial role in promoting intra-OIC trade and investment through the provision of its insurance solutions, Documentary Credit Insurance Policy, Credit Insurance Products, Bank Master Policy, and other solutions to bridge market failures that impede intra-OIC trade and investments. These instruments promote export sector development, Shariah Compliant financial sector development, and support member state and human development.
- Over three decades, ICIEC has insured USD 121 billion in trade and investment across the globe for its 50 Member States, including USD 95.99 billion in export credits and USD 25.17 billion in investment insurance. We have been a champion of intra-OIC business, supporting USD 56.94 billion in trade and investment within OIC countries.
- ICIEC's insurance helps Member States import strategic goods, export products for foreign currency revenue, and strengthen strategic sectors through infrastructure development. It also helps reach the 25% intra-OIC trade target set by COMCEC and enhances regional economic integration and resilience. ICIEC is continuing to expand operations in Member States and has instituted initiatives to support least developed Member States.
- The Corporation is continuing to expand its operations in OIC Member States to strengthen intra-OIC trade and has instituted several initiatives to support the least developed Member States to participate more effectively in trade.



ISLAMIC CORPORATION FOR THE DEVELOPMENT OF THE PRIVATE SECTOR (ICD)

WITH A ROBUST TRACK RECORD SPANNING TWO AND A HALF DECADES, ICD CONTINUES TO INTRODUCE INNOVATIVE PRIVATE SECTOR SOLUTIONS WHILE FACILITATING A CRUCIAL LINK BETWEEN PRIVATE INVESTMENTS AND SUSTAINABLE DEVELOPMENT ACROSS ITS 55 MEMBER COUNTRIES.

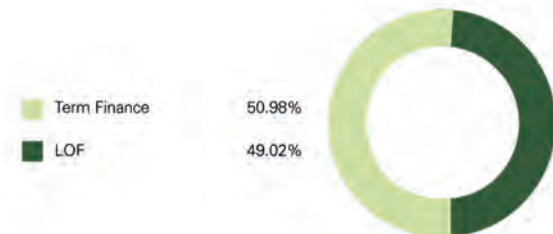


Since its inception, ICD's central focus has been on private sector development. This focus is based on a recognition of the pivotal role of the private sector in job creation, unlocking export potential, and fostering sustainable and inclusive growth.

ICD's commitment to fostering private sector growth and tackling global issues such as energy access and infrastructure is reflected in its actions. In 2024, ICD's project approvals amounted to USD 663 million, achieved

through extending financial support to partner institutions and investing in initiatives. This year's approvals were categorized into term finance (50.98% share), and line of finance (49.02% share), aligning with ICD's strategic shift toward credit financing. With this, cumulative project approvals have now reached USD 7.58 billion since inception.

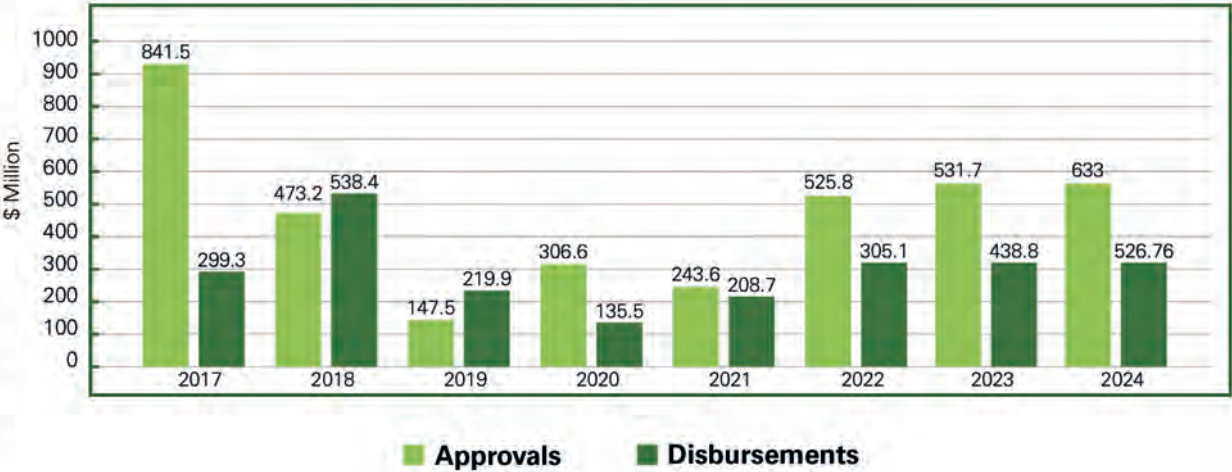
Project Approvals by Product: 2024



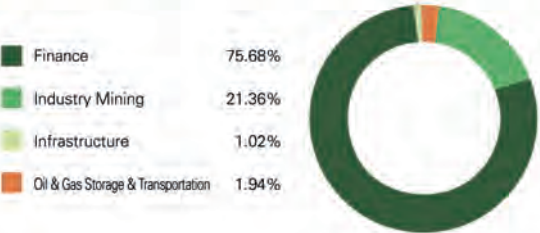
Sectorally, 49.02% of new project approvals were earmarked for the finance sector, followed by non-financial sector investments focusing on high-impact sectors such as industry and mining (20.43%), transportation (12.02%) and energy (11.16%). In terms of regional distribution, (60.94%) of project approvals were allocated to Europe and Central Asia, followed by Sub-Saharan Africa (15.69%), Asia (15.08%), and the Middle East and North Africa (8.30%).

In 2024, disbursements showed a significant increase in efficiency. A total of USD 526.76 million was distributed, up from USD 438.78 million in 2023. The finance sector received the largest share, making up 75.68% of total disbursements, while the remaining allocations were as follows: 21.36% to the industry and mining sector, 1.94% to infrastructure, and 1.02% to oil & gas storage & transportation. Overall, the disbursement-to-approval ratio reached 79%.

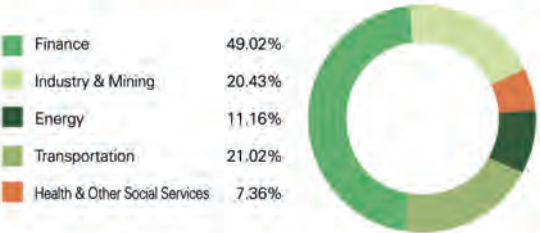
Trends in ICD Project Approvals and Disbursements



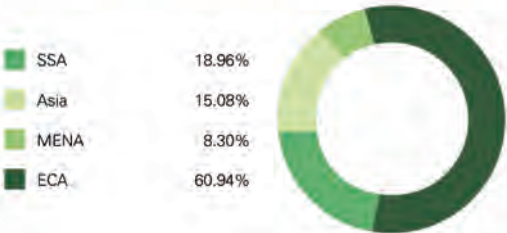
Sectoral Allocation of Disbursements: 2024



Sectoral Allocation of Project Approvals: 2024



Project Approvals by Region: 2024



INTERNATIONAL ISLAMIC TRADE FINANCE CORPORATION (ITFC)

ADVANCING TRADE AND IMPROVING LIVES



ITFC: EMPOWERING THE PRIVATE SECTOR AND SMES THROUGH FINANCING AND TRADE SOLUTIONS

The International Islamic Trade Finance Corporation (ITFC) is a member of the Islamic Development Bank (IsDB) Group. It was established with the primary objective of advancing trade among OIC Member Countries, which would ultimately contribute to the overarching goal of improving socioeconomic conditions of the people across the world. Commencing operations in January 2008, ITFC has provided US\$83 billion to OIC Member Countries. With a mission to become a catalyst for trade development for OIC Member Countries and beyond, the Corporation helps entities in Member Countries gain better access to trade finance and trade facilitation schemes, and provides them with the necessary trade-related capacity building tools, which would enable them to successfully compete in the global market.

VISION

ITFC is the leading provider of trade solutions for OIC Member Countries' needs

MISSION

ITFC is a catalyst for trade development among OIC Member Countries and beyond

ITFC Support to SMEs and the Private Sector in Member Countries and Beyond

The private sector and SMEs serve as key drivers of economic development, contributing to job creation, innovation, and poverty alleviation. However, limited access to financing and headwinds in the global markets remain a significant challenge for many businesses in OIC member countries. ITFC addresses these challenges through integrated trade finance and trade development programs, strengthening private sector competitiveness and sustainability.

In 2024, ITFC's financing approvals for SMEs and the private sector reached US\$ 1.2 billion, reflecting a 14% increase from the previous year. The Corporation strengthened its support by partnering with 47 financial institutions to facilitate access to trade finance, particularly in key sectors such as agriculture, energy, and manufacturing.

ITFC delivers trade financing solutions through two primary components:

- **Funded Trade Finance:**
 - Murabaha Financing: Direct financing where ITFC purchases and resells goods to beneficiaries with deferred payment terms.
 - Line of Financing: ITFC extends Shariah-compliant credit lines through partner banks, enabling them to offer trade finance to SMEs.
 - Structured Commodity Finance: Customized solutions to meet clients' operational needs and trade cycles.
- **Unfunded Trade Finance:**
 - LC Confirmation: Facilitates supplier confidence in SME and Private Sector transactions by confirming letters of credit issued by partner banks.
- **Syndications:**
 - ITFC mobilizes resources from financial institutions to expand SME financing availability.

Expansion and Strategic Partnerships

In 2024, ITFC expanded its operations into Algeria and Oman, onboarding 19 new clients across OIC markets. Additionally, it continued fostering partnerships with key financial institutions, including Türk Eximbank, Afreximbank, Uganda Development Bank Ltd and number of leading banks in

Trade Development and Capacity Building Initiatives

Beyond financing, ITFC integrates trade development programs aimed at enhancing SME capabilities and market access. ITFC has launched a dedicated Flagship Program, ITFC SMEs Program, to support SMEs in improving their access to finance and international markets. Moreover, SMEs support was at the center of significant number of projects implemented under other Flagship Programs such as Aid for Trade Initiative for Arab States (AfTIAS 2.0), Arab Africa Trade Bridges (AATB) and Trade Connect Central Asia+ (TCCA+) Programs. The following are examples of ITFC interventions to support SMEs:

West Africa SME Program: The West Africa SMEs Program aims to bridge the trade finance gap for SMEs in the region, offering increased finance for both banks and SMEs. Expanding access to finance and capacity building for SMEs in Burkina Faso, Côte d'Ivoire, and Senegal. A new phase in Cameroon (2025) will support 120 SMEs in partnership with Afriland First Bank.



The KSA SMEs Export Empowerment Program, launched in collaboration with Saudi Exim Bank and Saudi SMEs Authority (Monsha'at), focuses on enhancing the global competitiveness of Saudi SMEs. By offering services in export finance, capacity building, market access, and advisory services, the program aims to equip Saudi SMEs with the necessary tools and resources to thrive in international markets. With workshops, market access activities, and targeted support, these initiatives contribute to the sustainable growth and development of SMEs in their respective regions.



Export Launchpad Jordan, funded by ITFC and Global Affairs Canada, enhances Jordanian SMEs' export capacity through training, trade support, and market access, focusing on Dead Sea cosmetics and processed foods. It includes a train-the-trainers initiative, SME training, and trade missions to strengthen trade with Canada and global markets.



SheTrades Egypt & Morocco:

Export LaunchPad Jordan, funded by ITFC and Global Affairs Canada, enhances Jordanian SMEs' export capacity through training, trade support, and market access, focusing on Dead Sea cosmetics and processed foods. It includes a train-the-trainers initiative, SME training, and trade missions to strengthen trade with Canada and global markets.



Success Stories: Impact on SME Growth

- **Türkiye SME Export Financing:** ITFC's US\$ 174 million Murabaha financing facility to Türk Eximbank supported SME exporters across multiple industries. Since 2009, ITFC has provided US\$3.7 billion to Türk Eximbank for private sector and SME support.
- **Partnerships with Leading Banks in Uzbekistan:** Since 2019, ITFC extended around US\$ 600 million line of financing which enabled partner banks to expand their Islamic trade finance offerings, improving SME access to funds, supporting women entrepreneurship and promoting green finance.
- **Uganda's Industrialization Drive:** ITFC extended a US\$ 30 million trade finance line to Uganda Development Bank, facilitating raw material imports and driving employment growth in the manufacturing sector.
- **Collaboration with Afreximbank:** In 2024, Afreximbank approved US\$300 million to support private sector entities within the energy and agriculture sectors. Since the inception of ITFC, a total of US\$1.2 billion has been approved.

Looking Ahead: ITFC's Commitment to SMEs and The Private Sector

As part of its Strategy, ITFC remains dedicated to advancing SME and Private Sector financing and trade development. Key priorities include:

- Expanding access to digital trade finance solutions to streamline SME cross-border transactions.
- Enhancing sustainability initiatives, including green financing programs aligned with the UN Sustainable Development Goals (SDGs).
- Strengthening partnerships with regional and global financial institutions to scale trade finance offerings, trade facilitation solutions for SMEs and the private sector.

By leveraging its expertise and network, ITFC continues to be a catalyst for trade development, ensuring that SMEs and private sector enterprises across OIC member countries thrive in an increasingly competitive global economy.



ISLAMIC DEVELOPMENT BANK GROUP BUSINESS FORUM - THIQAH



Promoting cross-border investment and trade



OVERVIEW

The Islamic Development Bank Group Business Forum (THIQAH) was established as a unique and innovative platform for effective dialogue, cooperation, and partnerships for IsDB Group and business leaders committed to joining in promising investment and trade opportunities. Through THIQAH, the IsDB Group seeks to reinforce the effectiveness and success of the partnerships that have been forged between the Group and business leaders and establishments in our Member Countries.

VISION

THIQAH's vision is to position itself as the leading business platform of the IsDB Group serving the private sector in member countries and maximizing the achievements of successful investment projects. Through facilitation and catalyst roles, THIQAH will be leveraging IsDB Group's resources to offer necessary services and confidence to investors in member countries.

MISSION

THIQAH's mission is to establish strategic partnerships with the leaders of the private sector in order to capitalize on their expertise and know-how on one hand, and to synergize with IsDB Group entities on the other. The primary focus will be on maximizing cross-border investments among IsDB Group member countries to be supported by IsDB Group's financial products and services.

Services and Facilities Available at THIQAH office

- Meeting rooms for events and B2B meetings.
- Events webcasting system.
- Temporary executive offices.
- Secretarial support services.
- Professional photography and videography services.
- Catering services arrangement.



IsDB Group Programs and Initiatives Promoted and Supported by THIQAH



Member Countries Pillar

- Promote cross-border investment and trade among member countries through organization of business conferences and investment/trade forums
- Connecting business communities in Member Countries and facilitating B2B & B2G bilateral business meetings and networking/matching
- Building partnerships with other regional/international organizations to attract Foreign Direct Investment (FDI)

IsDB Group Pillar

- Supporting and promoting IsDB Group products and services to business community in member countries
- Promoting the IsDB Group Private Sector joint solutions and cross selling initiatives in Member Countries
- Upscaling the IsDB Group Private Sector Forum/Pavilion

SDGs

8 DECENT WORK AND ECONOMIC GROWTH



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



13 CLIMATE ACTION



17 PARTNERSHIPS FOR THE GOALS



IsDB Investments Department

INV

Achieve superior Risk Adjusted Returns and increase impact



Role of IsDB's Investment Department

IsDB Investment's Department strives to deliver superior returns to its fiduciaries to enhance their spending capacity and increase social impact in its member countries. INV through its diverse business lines supported the IsDB mandate to develop Islamic finance and played a catalyst role in many member countries.

The department's key functions are:

Managing IsDB funds to achieve superior risk-adjusted returns and enhance spending capacity.

INV's core function is managing IsDB's investment portfolios, optimizing risk-adjusted returns over the long term by building strong and stable portfolios with external fund managers across various asset classes. Additionally, INV oversees the direct equity portfolio, which includes Islamic financial institutions and Awqaf investments, with its flagship fund, APIF, playing a significant role.

The Department oversees the following functions:

Investment Departments have three major business lines supported by a strong performance reporting and operations function



Reporting & Operations Department

Investment's Department functions are supported by a strong Performance Reporting & Operations Division

PUBLIC PRIVATE PARTNERSHIP (PPP)

IsDB THROUGH ITS SPECIALIZED PPP DIVISION SUPPORTS NON-SOVEREIGN FINANCING INTERVENTIONS IN ITS MEMBER COUNTRIES, INCLUDING PUBLIC PRIVATE PARTNERSHIP (PPP)

PPP



Operations Performance Review 2024

Public Private Partnership (PPP) Division

The Public Private Partnership (PPP) Division, composed of the investment team and portfolio management team, is the center of expertise at the Bank for financing non-sovereign operations (NSOs) in IsDB member countries. The Division is responsible for originating, assessing, financing and monitoring of NSOs. In addition to its primary focus on PPP projects, the Division considers lines of financing and corporate finance transactions with measurable development impact. The investment team conducts a deep analysis of a project's fundamentals and structural risks before making a recommendation to IsDB's Board of Executive Directors (BED). The portfolio management team closely monitors approved projects all through construction, operation, and until full repayment.

Investments

The PPP Division's investment team boasts an extensive network of sponsors, commercial banks, and financial advisors, all actively engaged in identifying new project financing opportunities. These opportunities are carefully selected to align with the Bank's strategy and risk tolerance, specifically focusing on operational impacts, development goals, credit ratings and portfolio management. Rigorous due diligence is conducted for PPP projects, encompassing financial, technical, and legal evaluations to ensure both initial quality and long-term sustainability. In 2024, the PPP Division successfully secured four approvals from the BED to finance the following projects:

The Nakkas - Basaksehir Motorway Project in Türkiye

The project is the final and pivotal section of the 400 km North Marmara Motorway (NMM), which spans over the wider Istanbul and Marmara regions, providing an alternative route to the north crossing of the

Bosphorus bypassing the existing traffic. This project, the Nakkas - Basaksehir section, is approximately 31.3 km long and includes dual carriageways, connection roads, a cable-stayed bridge, viaducts, and various other infrastructure components. The project objectives are to enhance connectivity and road safety, alleviate traffic congestion, reduce emissions and travel time costs. It is expected that greenhouse gas emissions will be reduced by 2 million tons of CO2 equivalent by 2040. Moreover, given the strategic focus of Türkiye's development plans on transport, this project supports critical infrastructure, in line with the Bank's transport sector policy. IsDB is co-financing this project with EBRD, AIIB, ICD, ICIEC, ECAs and several commercial banks.

Pengerang Energy Complex Project in Malaysia

The Project is a world-scale, sustainable and state-of-the-art, integrated aromatics complex producing 3,769 thousand tons of refined products (LPG, light naphtha, jet fuel, diesel and fuel oil), 1,826 thousand tons of paraxylene and 632 thousand tons of benzene, to be exported annually. The project aims to increase value addition in Malaysia's downstream oil and gas and diversify its export base, in line with the Government's transformation program to increase the country's petrochemical output and establish itself as a regional oil storage and trading hub. Located on a dedicated land within the strategic Pengerang Refinery and Petrochemicals zone in Johor, the project will be developed by ChemOne alongside Banjaran Asset Management Pte. Ltd, Maire Tecnimont S.p.a, Asia Star Fund and the state-owned Johor Corporation. IsDB is supporting this project through an Islamic Financing Facility, in addition to participation from ICD and ICIEC, as well as other financiers including multiple ECAs.

Tashkent Utility Scale Solar Photovoltaic and Battery Storage Project in Uzbekistan

The project involves the design, finance, construction, operation, maintenance, and transfer of a new 200 MW Tashkent PV Plant and a 501 MWh BESS, with related electrical interconnection facilities in Tashkent. The Project will be developed by an SPV 100% owned by ACWA Power, a private sector sponsor of a member country (Saudi Arabia) investing in another member country (Uzbekistan). The project's objective is to increase the supply of solar power generation to meet Uzbekistan's increasing energy demand, generating 470 million kWh per year of electricity and reducing greenhouse gas emissions by about 300,000 tons of CO2 equivalent annually. This aligns with the Uzbek government target to increase the share of renewables to 25% of its energy mix by 2030, as well as IsDB's climate finance commitments. Besides IsDB's participation, the project has attracted financing from the European Bank for Reconstruction and Development (EBRD), German Investment Corporation (DEG), KfW, Proparco and Standard Chartered Bank (SCB).

Second Line of Financing for Uganda Development Bank Limited (UDBL)

The project entails a line of financing facility to support the growth of local small and medium-sized enterprises (SMEs) and large enterprises across various sectors of Ugandan economy, including those engaged in the agricultural, industrial and infrastructure sectors. These investments will, in return, enhance the productivity and income of local enterprises, strengthen food security in the country, contribute to job creation and poverty alleviation, and promote overall economic development. The project is aligned with the objectives of the Food Security Response Program (FSRP), which aims at complementing member countries' national food security efforts in averting the food crisis and strengthening their resilience to future food security shocks. With the support of IsDB, the project improves access to medium and long-term Islamic financing for local SMEs and large enterprises, thus help in the promotion of Islamic finance in Uganda and enable UDBL to use long term Islamic products at end-beneficiary level.

Portfolio Management

In comparison to sovereign projects, the PPP Division continues to monitor the operations of completed projects till the final repayment of the financing facilities (up to maturity). As of December 2024, the PPP active projects portfolio (under repayment) has reached over USD one billion which will gradually increase with the implementation of approved projects. The portfolio resilience and ability to withstand the long-term consequences of the pandemic stands as a testimony to the quality of the projects' design. The active portfolio is distributed among 6 main sectors. The highest concentration is in the Energy & Utilities sectors which are prioritized by IsDB member countries given their strategic importance to economic development and high capital investment cost. The portfolio also has a high concentration in the financial sector implemented through Lines of Finance (LoF) in member countries.

PPP Portfolio Concentration and Credit Ratings

In terms of regional distribution, the GCC/Middle East region has the highest concentration of the portfolio. The region enjoys higher rated member countries with more established regulations and legal frameworks that attract private sector developers. The PPP portfolio rating is critical to the financial sustainability of the portfolio as an integrated component of the Bank's AAA rating. Moreover, the current portfolio rating influences the future risk appetite of the Bank when participating in future financing opportunities.

Project Implementation Assessment and Support Report (PIASR)

The PPP Division regularly generates Project Implementation Assessment and Support Reports (PIASR) for all ongoing operations to ensure the effective advancement of projects. In 2024, the Division prepared a Project Implementation Assessment and Support Report (PIASR) for Ras Laffan Petrochemicals Project in Qatar. The project, approved by the IsDB-BED on 01 July 2023, aims to enhance Qatar's hydrocarbons-related exports by increasing High Density Polyethylene (HDPE) production capacity by 1.7 million tons per annum by 2027. The total project cost is USD 7.3 billion, with financing from various sources, including the Islamic Development Bank. The project aligns with Qatar's National Vision 2030 and aims to support economic diversification and technological advancement.

Project Completion Report (PCR)

Once a project is finalized and commercial operations commence, a Project Completion Report (PCR) is compiled to document the conclusive phase of implementation. The Division completed PCR report in 2024 for the Big Almaty Ring Road Project (BAKAD). The project has been completed a year earlier than its scheduled date of completion and rated by the PCR rating mechanism to be "Highly Successful".

Early Warning System (EWS) Reports

The PPP Division continuously monitors completed projects until

the final repayment of financing facilities. Semi-annual early warning system (EWS) reports are generated to identify early warning signals related to covenants compliance or concerns about project financial status. In 2024, the Division produced EWS reports to monitor the existing portfolio's health.

LIBOR Transition Exercise Completed

The Portfolio Management team of the PPP Division has been actively engaged in transitioning projects from the London Inter-Bank Offered Rate (LIBOR) to the Term Secured Overnight Financing Rate (SOFR). By the end of 2024, the LIBOR transition for all non-sovereign operations had been successfully completed in compliance with relevant IsDB policies.

Capacity Development and Knowledge Sharing

During the 3rd Results Based Management Symposium held at IsDB Headquarters, the PPP Division organized a panel session in November 2024 on the impact of PPP projects on economic development. The session aimed to examine the key factors that led to the success of Queen Alia International Airport (QAIA). The panelists, representing diverse views, from government to private sector and multilateral development banks, exchanged their experiences and shared lessons learned.



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