



## **Progress Report:**

# **ICD's 2018 Achievements to Promote the Private Sector in OIC Member Countries**

1. The Islamic Corporation for the Development of the Private Sector (ICD), a member of Islamic Development Bank (IsDB) Group, currently has an authorized capital of US\$ 4 billion and its shareholders feature 54 OIC member states and 5 public financial institutions. The mandate of the ICD is to support the economic development of OIC member states through the provision of finance to private sector projects in accordance with the principles of Sharia'a.
2. Thanks to seventeen years record of accomplishment of strong developmental and operational footprint, ICD keeps bringing innovative private sector solutions and serve as a bridge between private investment and sustainable development in its 54 member countries. Today, as end of year 2018, ICD's gross cumulative approvals stand at USD6.4 billion, and cumulative disbursements totals USD3.2 billion.
3. By far the largest share of approvals support the financial industry, which represents 49 percent of gross approvals to date. The industrial and mining sector received the second largest share (20 percent), with a gross approved amount of \$1,261 million. Other recipient sectors, include: funds, real estate, health and other social services, information and communication, energy, trade, transportation, agriculture, education, and water, sanitation and waste management.
4. Regarding geographic distribution, ICD investment operations expanded to over 50-member states. The Middle East and North Africa (MENA) region accounts for the bulk of cumulative ICD approvals, representing 31% of gross approvals. Regions such as Europe and Central Asia (22%), Sub-Saharan Africa (18%), and Asia and Pacific (14%) follow accordingly. The share of regional/global projects covering several countries was nearly 15% of gross approvals.
5. Despite financially difficult year for the ICD, which is caused mainly by a challenging and uncertain external market conditions, it demonstrated a good performance in operational and developmental front in 2018 as well, by delivering a record amount of financing for private sector development – nearly USD483 million. These projects add value to the economic and social development of member countries by creating new jobs, supporting productive capacities, facilitating technology transfer, and boosting cross-border investment.
6. ICD has also intensified its focus on the most challenging obstacles of the private sector and sustainable development by investing in the financial industries and real sectors of member countries. More than two-third of 2018 investment went to the financial sector, in addition to financing high-impact projects to foster the private sector and to raise the competitiveness of OIC Member Countries.
7. Asset management and advisory services also continued to be important dimensions in delivering ICD's developmental mandate in 2018. The corporation's total assets under management reached a figure above \$750 million by the end of year 2018. ICD also increased its support to member countries by securing 6 new comprehensive advisory mandates, of which around half of them belong to the least developed member countries (LDMCs).

8. Achieving development results has always been a cornerstone and ultimate objective of the ICD's operations. During 2018, ICD interventions supported over 10,000 new jobs, and assisted over 9,000 small and medium size enterprises (SMEs). ICD has also strengthened its toolkit by adding the UN's Sustainable Development Goals (SDGs) to development impact measurement systems.
9. Going forward, ICD remains committed to scaling up and strengthening its engagement to help member countries overcome their development challenges in the face of rapid changes. The corporation aims also to increase its investment focus on matters such as resilience, climate change and innovation. ICD understands that responding to demand is always a must, but at the same time leveraging the strength of clients and partners to mobilize greater private sector financing is also very important. ICD can definitely increase the reach and depth of its development impact by deploying the capital of shareholders, by bringing greater intelligence to its business decision-making, and by working as one team across the entire IsDB Group.