



ICD's Achievements in 2021 to Promote the Private Sector in Its 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 \$4 billion and its shareholders feature 55 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, advisory and technical assistance to private sector projects in accordance with the principles of Sharia.
2. Thanks to twenty-one 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 55 member countries. As of end of year 2021, ICD's gross cumulative approvals stand at \$7 billion, and cumulative disbursements totals \$3.5 billion.
3. Against a challenging backdrop and the far-reaching economic impact of the COVID-19 pandemic on member countries, ICD has achieved solid progress in fostering private sector development in its member countries.
4. Specifically, in order to address the COVID19 related challenges facing its member countries, and as part of IsDB Group's overall response program, ICD has allocated a dedicated financial package of \$250 million for its member countries. During the year of 2021, ICD has approved a total amount of \$516 million financing including the transactions allocated under ICD's COVID19 package. As far as the product breakdown of ICD's core business operations are concerned, line of finance (LOF) and term finance made up the bulk of ICD approvals with 58% and 35% share respectively. The fund and equity projects accounted for the remaining 7% of total approvals. In addition to the above, during 2021, in order to assist its member countries to mobilize resources for private sector development, ICD signed three new sukuk mandates as well as three new advisory transactions. Furthermore, ICD established the BRIDGE platform, which connects more than 100 Financial Institutions in its network. This digital platform helps in reducing the digital divide in our member countries and set up connection among all concerned developers in the initiative to mobilize additional resources for private sector development.
5. Sectoral as well as regional ICD project distribution was also in line with ICD's 10-Year Strategy. In 2021, more than half of new project approvals were allocated to the financial sector (financing SMEs through local banks) while non-financial sector investments focused on high-impact sectors including infrastructure and industrial sectors. Regionally, Middle East and North Africa (MENA) accounted for most of the approvals, while disbursements are the highest in Sub-Saharan Arica. ICD has identified job creation, inclusive growth, and promotion of Islamic Financing as major elements of its strategic plan. These strategic dimensions are also important to ICD's contribution to help its member countries for achieving the SDGs. In that sense it is important to highlight that ICD's approved projects in 2021 are targeting to create more than 2,500 new jobs on an annual basis in our member countries.
6. On the partnership development front, ICD also achieved important business synergies in 2021 with other entities in the Islamic Development Bank Group; namely ITFC and ICIEC. The three entities set up a Technical Coordination Committee

(TCC) to promote cross-selling and share new deals. The activities of the TCC were quarterly reviewed by the CEOs of the respective entities and chaired by ICD CEO during 2021. Since its establishment, TCC enabled the entities to share more than 35 deals with a total value of \$1.8 Billion in 18 different member countries. In addition, the entities also co-invested in nine sukuk transactions with a total value of \$500 Million.

7. During the year of 2021, ICD also witnessed strong financial and political support from its shareholders as evidence of recognition for its imperative role in private sector development. As part of the ICD 2nd General Capital Increase, which was approved by the General Assembly on June 11th, 2015, \$828 million was subscribed out of \$1 Billion capital available for subscription (equivalent to 83% subscription rate). On the payment front, ICD has received a total of more than \$680 million in capital payments from its shareholders since the beginning of the 2nd General Capital Increase. In terms of resource mobilization, the year of 2021 was also successful, where the Corporation raised its longest-ever financing with 7-year tenor (\$100 million financing) at competitive market rates. This borrowing at 7-year tenor at competitive rates also indicates strong support and trust of financiers for the Corporation.
8. Overall, ICD has achieved solid progress in all its three key strategic targets for promoting the private sector in its member countries including operational growth, development effectiveness and financial sustainability.