

IsDB



مجموعة البنك الاسلامي للتنمية  
Islamic Development Bank Group

# Stories OF Hope AND Smiles



How the Islamic Development Bank Group is supporting communities across the globe

**Published July 2020**

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The stories presented in this publication are based on the drafts submitted by the authors. However, to ensure readability and consistency in style, diction and logic, stories have been edited and developed without losing the originality of the initial submissions.

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**ISBN:** 978-603-8306-02-4

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How the **Islamic Development Bank** is supporting communities across the globe

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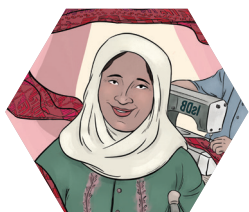
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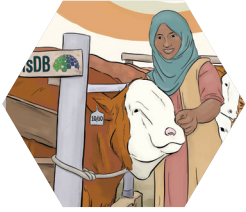
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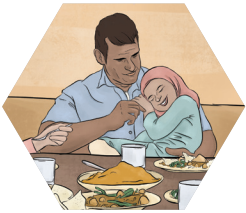
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# FOREWORD

It is with the grace of Allah, then the support of Member Countries (MCs), that the Islamic Development Bank (IsDB) has recorded, since its establishment, major successes in every sector of development, starting with education then agriculture, energy and infrastructure. IsDB has actively contributed to the transfer of knowledge in science and technology and has continuously and effectively participated in providing development assistance in the communities of member countries and the Muslim minority communities in non-member countries. Today, we are endeavoring to establish new frontiers of development and paving the way to connect our member countries through global value chains.

In this regard, it is very important to capture and showcase the impact of IsDB Group contributions qualitatively. These contributions have made a significant impact, touching the lives and livelihoods of people and their communities. However, many inspiring journeys of transformation have not yet been documented; these can best be illustrated through a set of success stories.

That was why in late 2019, I established a Task Force on Success Stories to encourage our staff to write about our development efforts and showcase how IsDB Group has brought hope to the hopeless and tears of joy at the grassroots level.

I am delighted with the response received from our current and former colleagues at IsDB, who volunteered to participate in the success story competition. My sincere appreciation goes to the Executive Business Oversight and Delivery Monitoring Division for supervising this project from inception to completion. I am equally grateful to the Knowledge Management & Institutional Learning Division for managing and coordinating this project with such a magnificent outcome, and to each member of the Special Task Force who worked diligently to review the stories and get them published in its current form. This work is a model through which we see our glorious history, not just a booklet about stories. I encourage every member of the IsDB Group family to share these stories with as many people as possible.

I look forward to more publications like this to further support our contribution towards building a sustainable future for the millions of citizens in our member countries who long for solutions to the challenges they face in their daily lives.

I invite our dear readers to share the pleasure of reading success stories extracted from our real work all over the Muslim world.

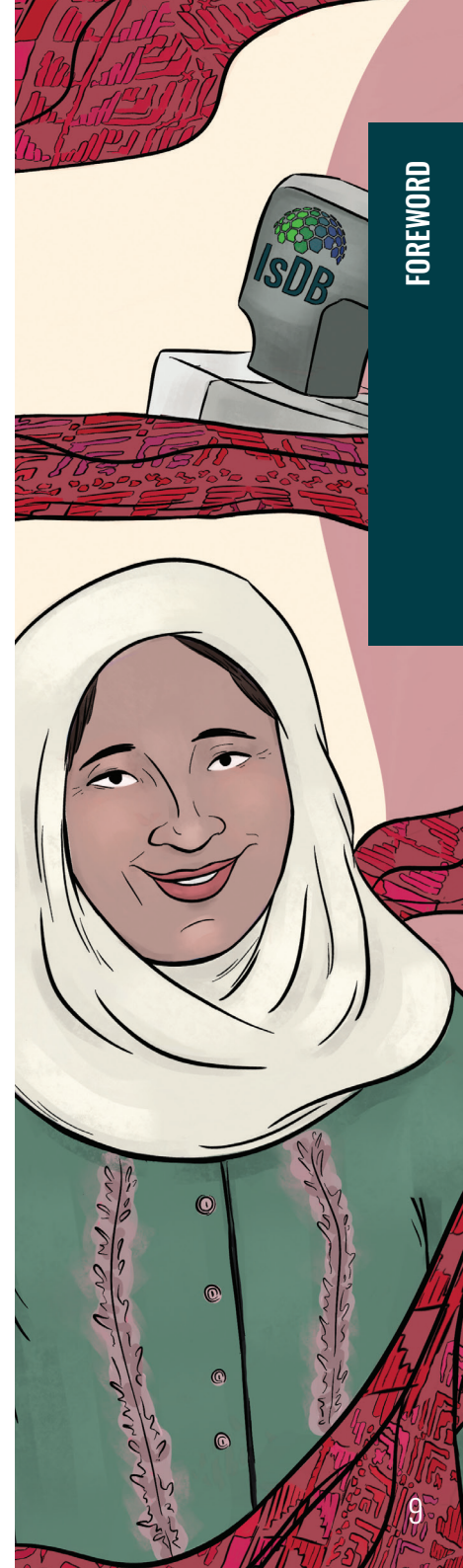
From Allah we seek success.



**Dr. Bandar Hajjar**  
President, Islamic Development  
Bank Group

“ I established a Task Force on Success Stories to encourage our staff to write about our development efforts and showcase how IsDB Group has brought hope to the hopeless and tears of joy at the grassroots level. ”

Stories of hope and smiles



# THE JOURNEY

**Special Task Force on Success Stories** established by IsDB President, Dr. Bandar Hajjar, on December 26, 2019.



Special Task Force organized a **competition** for IsDB Group staff and retirees, encouraging them to select impactful IsDB projects and write compelling success stories for the benefit of staff, clients and member countries.

Call for **expressions of interest** circulated, asking participants to submit an abstract of their story. A prize fund is announced for the three best stories. The authors of other published stories will receive appreciation prizes.

Stories cover more than 16 countries across 4 regions: Asia and Latin America; the Middle East and North Africa; Sub-Saharan Africa; Europe and Central Asia.

Stories cover more than 9 sectors, as indicated by the icons throughout this publication.



HEALTH



ECONOMIC EMPOWERMENT



ISLAMIC FINANCE



AGRICULTURE



MULTI-SECTOR



ENERGY



SAUDI ARABIA PROJECT FOR UTILIZATION OF HADY & ADAHI (ADAH)



TRANSPORT



WATER

Total of **83 abstracts** submitted. Following a thorough review of abstracts against the submission criteria, **53 participants** were recommended to submit full stories.

**43 success stories** submitted.

Special Task Force developed **evaluation criteria** to appraise each story, focusing on style and clarity, structure, empathy, and lessons learned.

Following a rigorous review of the full stories by at least **four assigned judges per story**, **20 success stories** made the final shortlist for publication; 13 of the stories were originally written in English and 7 in Arabic.

## OUTCOMES

IsDB Group staff demonstrate their desire to contribute to increasing the visibility of IsDB in line with the President's Five-Year Program.

Stories showcase how IsDB has touched lives across its 57 member countries and beyond.

Competition provides a platform for staff talent, beyond those involved in project operations, to create greater awareness about IsDB Group interventions.



# ACKNOWLEDGEMENTS

The establishment of the Special Task Force on Success Stories was a unique opportunity for all IsDB Group staff to tap into the reservoir of successful projects executed by the Bank across the 57 member countries and among Muslim communities in non-member countries, and highlight how IsDB Group has changed lives, built confidence, restored hopes and supported governments.

The stories also showcase how IsDB has continued to execute the mandate envisaged by its founding fathers, which is the promotion of economic development and social progress within its domain of influence.

Following a rigorous selection process, reviews and validation by the members of the Special Task Force, the assignment has been completed successfully. It was a beautiful journey with a lot of learning that we hope will benefit future projects.

At this juncture, special thanks go to H.E. the President, Dr. Bandar Hajjar, for initiating this project. Special thanks to all participants in this contest and congratulations to all the winners. We also thank all colleagues who have reviewed and judged this work until it reached the reader with this beautiful picture.

All the members of the Special Task Force deserve commendation for their diligence in ensuring that the selection of stories was fair and consistent, and that the entries were relevant to the terms of reference of the competition.

Presented here are 20 stories across various sectors. Of these, 13 were originally written in English, while 7 were written in Arabic. All stories have been translated into English, Arabic and French. We hope you will enjoy the stories and share your feedback with us via the contact details provided in this booklet.

**Waref Karachouli**  
Special Task Force Chairman







# How Beautiful You Are, Ibrahim



STORY OF **Fatimatou Idris**

WRITTEN BY **Mohamed Ali Laswad**

In 2008, the Islamic Development Bank (IsDB) founded the Alliance to Fight Avoidable Blindness, which brought together partners from across the globe to support and build capacity to fight the root causes of blindness in Africa. The primary goal was to treat cataracts, which are the leading cause of blindness in many countries where ophthalmologists are scarce, and people lack the skills to perform successful surgeries. The first phase of the initiative focused on eight African member countries, including Benin, Burkina Faso, Cameroon, Chad, Djibouti, Guinea, Mali and Niger. The Alliance has provided eye care to over 244,000 people and restored the eyesight of more than 49,000 suffering from blindness.

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Chad



We grew up in the dusty suburbs of N'Djamena, the capital of Chad, where I spent my childhood playing with my cousins and siblings outside our small, mud-brick house. We all lived together under one roof, sharing what little we had; space, food, water and the air we breathed. Despite Chad being one of the poorest countries in the world, as Africa's most expensive city, N'Djamena was prohibitively expensive. For poor families like ours, it was unaffordable.

Chad's expatriate population had grown in the last decade with the development of the oil sector, which was locally referred to as black gold. This meant that goods and services such as housing, transport and utilities had become particularly costly as the supply of decent infrastructure was far behind demand. For locals, water and electricity had become luxury products.

But despite not having much, we never let it bother us too much. My brother Ahmadu and I spent our days running through clouds of exhaust fumes, spewed by cars zipping through the city's potholed streets. "Fatimatou wait for me!" my brother would yell, as we raced through roadsides crammed with people selling peanuts, vegetables and squawking chickens. But then one day, everything changed.

I remember that day well. I knew something was wrong as soon as I woke up and stumbled out from beneath the mosquito net that hung over my bed. My right eye felt blurry as I walked slowly over to the wash basin; water trickled down my face as I splashed one handful after another. Mama sat me down and stared worriedly into my face. "Fatimatou your eye has turned white!" she exclaimed. We would soon learn through a family friend that I had developed something called a cataract.

Outside, the clear skies suddenly became cloudy. As weeks turned into months, the vision in my right eye started to deteriorate. I found myself shielding my eyes from the sunlight I embraced as a young girl. We couldn't afford to see a doctor, let alone surgery, so I learned to cope. I became increasingly reliant on my left eye, for which I was grateful, but I was saddened to see the bright colors of N'Djamena, my hometown on the edge of the Sahara, slowly fade to a yellow hue – a memory in motion.

Summer came to an end, and so did my childhood. One day, Baba came home and announced he had found me a suitor; the son of a neighbor who lived close by. I felt anxious but knew my increasing loss of vision had become burdensome for my family, who were already struggling to get by. My husband Omar was poor, but he was a good man and Baba knew that he would take care of me.

But six months after my marriage, things took a turn for the worse, when another cataract began developing in my left eye. I was scared and didn't know what to do. The thought of being completely blind terrified me. My husband went into the city every weekend looking for anyone that might be able to help but returned home alone each time.

We soon came to learn that I was pregnant. Though this news should have brought me joy, it left me feeling more anxious than ever. I was nervous about bringing a child into the world without knowing if I could properly take care of it, let alone be able to see it. The pregnancy was difficult. I tried not to move around too much, in case I fell over as I was already bumping into things inside our small shack. But as my belly grew, so did my cataract; we were up against time.

Two months before the baby was due, my worst fear was confirmed: I had turned completely blind.

I woke up one day to find that my entire world had plummeted into darkness. I felt helpless and overcome with grief. I could neither help my family or myself, and worried constantly about how I would care for my unborn child. As the days passed, I felt more and more helpless.

Relief only came when I held my baby for the first time. After hours of labor, my neighbor gently placed the newborn into my arms and told me, "Fatimatou, it's a baby boy!" Tears ran down my cheeks as I slowly mapped out his face with my fingers. Two eyes, a small nose and lips. How I longed to see my son's face. I held his delicate head close to my ears and listened to the sound of his soft breathing. For the first time in a long time, I felt content. We named him Ibrahim.


For the first few years of his life, I was unable to care for my child the way a mother normally would. I was grateful to my family who regularly came around to help. Ibrahim grew to be an intelligent and thoughtful little boy, often describing things to me in vivid detail to make up for my blindness. I would imagine what he looked like as he spoke, and whether he looked like me or his father. I yearned desperately to see him and prayed that one day, my eyesight would return.

One day, my brother Ahmadu hurried home with some news. He had been wandering through the market that morning when he heard an announcement from a loudspeaker about a free medical campaign. He turned a corner and found people gathered around a group, who were explaining what the campaign was about.

Stories of hope and smiles

“I woke up one day to find that my entire world had plummeted into darkness. I felt helpless and overcome with grief. I could neither help my family or myself, and worried constantly about how I would care for my unborn child.”





**“The operation had been successful. Light filled the room as I slowly adjusted to my surroundings. The curtain of blindness had been lifted.”**

Ahmadu approached one of the men, who introduced himself as Mohamed Laswad. Mohamed explained that he was part of a mission sponsored by IsDB to treat people suffering from cataracts free of charge. Ahmadu explained that I had lost vision in both eyes and had given birth to a baby, who I still hadn't seen after five years.

Mohamed was saddened to hear this and told Ahmadu to register me for surgery immediately. He asked him to bring me to the Al-Hurriya Hospital the next morning to be examined by doctors who would decide what action to take. As Ahmadu explained what had happened, I cried with joy. Though there was a chance the surgery might not work, the possibility that it could gave me hope. I immediately agreed and asked my brother to accompany me.

Ahmadu arrived early the next morning and we made our way to the hospital. The corridor was crowded with patients, and the walls were plastered with information about the campaign. Ahmadu read them out loud so that I could understand, and we stood together in a queue until I was called. Following my medical examination, the doctors decided to perform an emergency procedure on both eyes, and I was swiftly taken into the operating room.

Ahmadu waited in the mosque next to the hospital and prayed desperately for my recovery. An hour later, he came to collect me, and we left the hospital with white bandages wrapped around my eyes. I felt some slight discomfort and was taken home to rest as we needed to come back the following day to see if the operation had been successful. That night, I hardly slept at all.

I woke up bright and early the next morning and kissed my son before I left. When we reached the hospital, I was taken into a small room, where I sat down nervously as a doctor came in and carefully unwrapped my bandages. I kept my head down and took a deep breath, before mustering the courage to open my eyes. When I did, it felt like I had awoken from a deep sleep.

The operation had been successful. Light filled the room as I slowly adjusted to my surroundings. The curtain of blindness had been lifted. “Praise be to Allah!” Ahmadu rejoiced, as we embraced one another with joy. I don't recall ever being so happy and grateful in my life. I thanked the doctors, who gave me some medication and advice before letting me leave.

I couldn't wait to go home to see my family. As we reached the house, I found all my extended kin waiting eagerly to welcome me. As I got out of the car, a little boy ran straight towards me. I instinctively knew it was my son and embraced him as he leapt into my arms. "How beautiful you are, Ibrahim," I cried. I held him tightly as my tears soaked his shirt, and then looked into his face to memorize every detail. I will never forget the day I had both my faith and vision restored.







# Handwoven Dreams



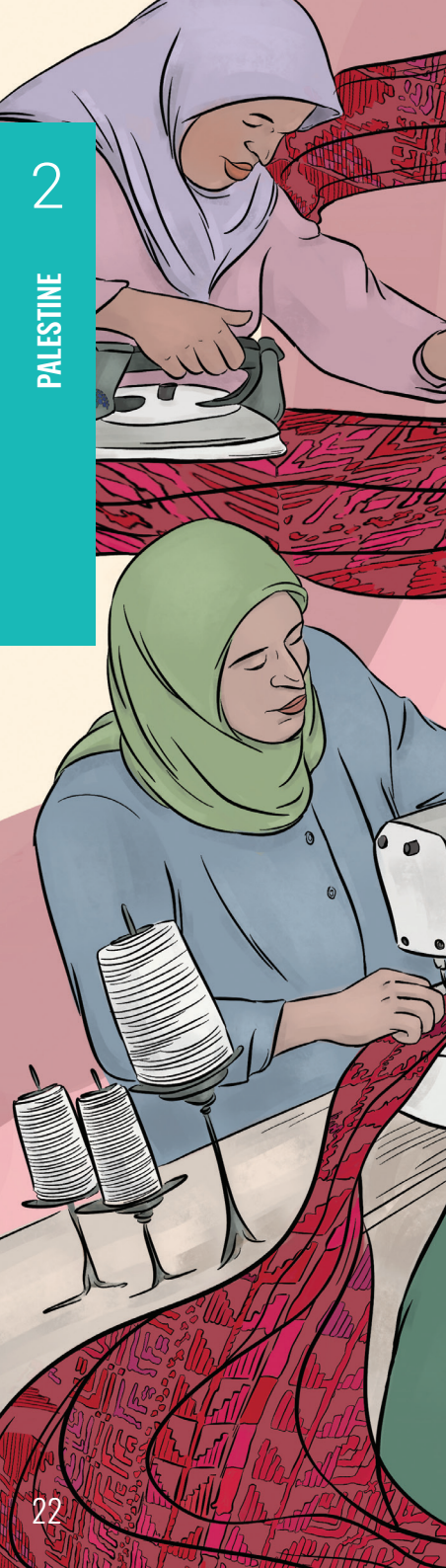
STORY OF **Fatima Al-Jadaa**

WRITTEN BY **Mohamed Abd Raboh Saleh**

The Prize for Women's Contribution to Development is awarded annually by the Islamic Development Bank (IsDB) to reinforce and strengthen the role of women as essential contributors to society, as well as effective agents of change. The award offers financial prizes to individuals and organizations that are committed to improving the well-being and status of women in member countries around the world. The prize winners are determined by a panel composed of 12 prominent women recognized as leaders in their fields, who advise the Bank on how to enhance women's participation in the socio-economic development process.

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**Palestine**



I was born in the village of Qalqilya, a Palestinian city in the West Bank of Palestine. Shortly after my birth, the doctors informed my mother that I had a disability in my right leg, which would make it difficult for me to walk. But despite this, Allah compensated me with many other blessings. I was raised with my sisters and attended primary school in our village, but the secondary school was very far from our home and my disability made it difficult for me to get there.

Sometimes my father would carry me to the school, but it was hard for him. He was tired, yet he was reluctant to tell me that he would not be able to continue taking me to school. He started hinting to me, and my sisters, that there was no difference between the school and the associations that trained girls in sewing, embroidery and other things. He kept on asking us, “Who would like to join the association next to our house?” None of us responded to him, and I did not realize that the question was directed at me alone.

One morning, I woke up expecting to dress in my school clothes as usual. Instead, I was delighted to be given a new outfit, but I was surprised by the warm kisses of my father, who was crying. As were my sisters, who already knew that I would not be going to school with them anymore. I was amazed and looked at my mother to ask her what was happening.

She took the school bag from my hand, and embraced me, saying, “You will join the association next to our house instead of school, and you will learn sewing and embroidery. You will have a great career that is better than your sisters.” I finally understood that the tears on my father’s cheeks meant that he had surrendered to a matter that he did not want to surrender to.

After he returned from work, my father looked at me sadly and sat me next to him, saying: “You will go to school tomorrow, my daughter”, but I already knew that he would not be able to help me. Instead, I convinced him that I wanted to join the association, so he took me to the Habla Association for Sewing to learn sewing and embroidery the next day.

I suffered a lot during my training, as I had to lean on one foot, but after I had learned the craft of sewing and embroidery, I wanted to help myself, and my community. The question was how? I asked many people for help to buy sewing machines to start a project with widows, but I couldn’t find anyone to help me open a tailoring shop.

I realized that it was imperative to buy a sewing machine, but at first, I could not afford to buy a sophisticated one. Instead, I had to make do with what I had until

I had saved enough money. Later, I taught one of my neighbors, who had seven children, how to sew and embroider. After she had mastered the skills, I offered her a job for a monthly salary. She was so happy to find someone to offer her work at a time when it was difficult for men to find jobs.

I then bought two more sewing machines and taught more women, as well as girls with little or no hearing. After they learned how to sew and embroider, I started paying them a salary in return for their work. I continued to buy more sewing machines, and eventually I opened the Al Hana Tailoring Shop. We worked together until I had 50 sewing machines. I fully realized that this success was only achieved by the will of Allah to help these women and their children.

Throughout this time, we saw Israeli soldiers bulldozing farmland, demolishing buildings and displacing many families from their homes. Then one day they attacked the Al Hana Tailoring Shop. They confiscated all the sewing machines and destroyed everything inside. I tried to stop them, but they pushed me aside and I fell to the ground. All the women grieved for the devastation of the project because it was our refuge from poverty. All of a sudden, we became unemployed.

We began to ask if we could restore the project or whether there was an alternative solution. The women offered ideas for how we could solve the problem. They also gave me small amounts of money, and some told me to request assistance from philanthropists, but unfortunately, we did not find anyone to help us. We became desperate.

One day, a group of women came to my house to tell me that IsDB was offering financial prizes to people who had created a good project to serve their community. They asked me to apply and a few months later, there was a loud knocking at my door. I opened it, and found my colleagues laughing excitedly and desperate to tell me something.

I invited them all in and asked them what was going on. Everyone started talking at once, as if each of them wanted to tell me that I had won. I did not understand because they were all talking at the same time. Suddenly, I saw a speech-impaired woman with tears in her eyes. Despite this, her face was smiling, and I realized her tears were tears of joy. She was the best interpreter for me, and I knew immediately that I was one of IsDB's prizewinners.

I received IsDB's invitation to come to Kuwait to receive my prize, together with other winning women from several Muslim countries around the world. I entered the hall

Stories of hope and smiles

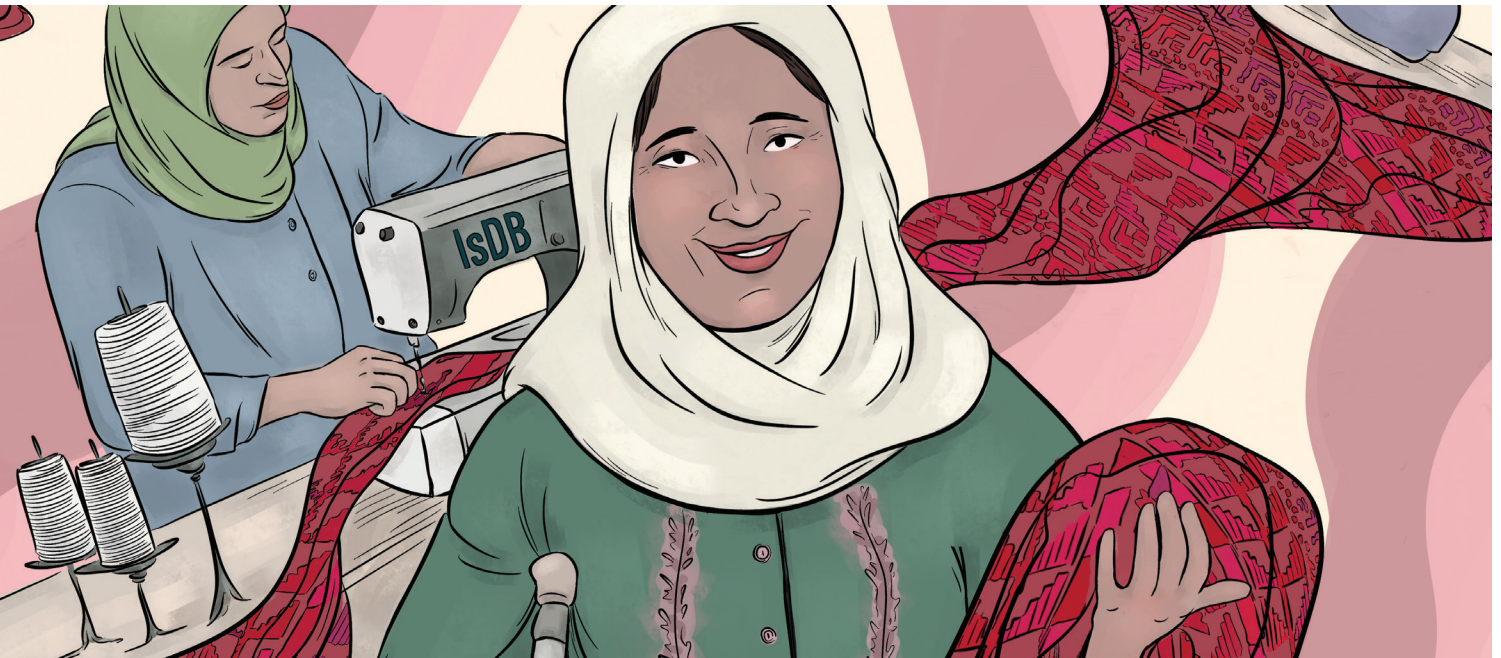
“One day, a group of women came to my house to tell me that IsDB was offering financial prizes to people who had created a good project to serve their community.”

“ I returned to Palestine in an optimistic frame of mind and was greeted by all the women that worked for me.”

where the prizes would be presented and sat down with a sense of amazement. A Bank official appeared and asked for calm. Silence prevailed, and I almost felt as though I was alone in the hall.

After the recitation from the Quran had finished, someone called out my name to come to the stage to receive my prize. It was a moment that made me happy and when I heard the loud applause from all those present, I was in complete awe. I barely managed to reach the stage where I stood before all the ministers from the Bank's member countries to receive my prize from the IsDB President. I felt that all my female colleagues were there with me in Kuwait, although they were at home, watching through their TV screens.

I returned to Palestine in an optimistic frame of mind and was greeted by all the women that worked for me. After a while, I used the prize money from the Bank to buy new sewing machines, replacing those that had been destroyed. Thanks to IsDB and what it offers to Muslim nations, its bounty has reached many peoples in various parts of the world. The number of female employees working in the Al Hana Tailoring Shop has now reached 200, all led by a woman with special needs named Fatima Al-Jadaa.









# A Web Of Opportunity



WRITTEN BY **Mohamed Ali Chatti** in association with **Bayan Al Mazroui, Yoseph Alsawady, Ghassen Khelifi and Al-Amin Muttallab**

In many Islamic Development Bank (IsDB) member countries, a skills gap or mismatch exists between youth and available employment opportunities – a gap that might not necessarily be bridged by formal education alone. To transform youth into economically productive professionals, who have decent and sustainable jobs in the formal market, a market-based approach to skilling is needed. By applying the awqaf model, the IsDB-Bangladesh Islamic Solidarity Education Wakf (IsDB-BISEW) funds education opportunities throughout Bangladesh using income from IsDB Bhaban, a state-of-the-art commercial and retail complex in Dhaka. To date, this program has awarded 12,778 scholarships, a total of 9,961 computer literacy programs and 6,753 professional courses have been completed, and 5,922 job placements have been made.

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**Bangladesh**



In many IsDB member countries, a skills gap or mismatch exists between youth and available employment opportunities – a gap that might not necessarily be bridged by formal education alone. Indeed, to transform youth into economically productive professionals, who have decent and sustainable jobs in the formal market, a market-based approach to skilling is needed.

As a major IsDB member country with a youthful but largely underprivileged demographic, Bangladesh needs to address the issue of youth unemployment. Such a serious problem requires radically different development solutions – such as the model of awqaf. IsDB has taken the lead with this model via the IsDB-Bangladesh Islamic Solidarity Education Wakf (IsDB-BISEW). IsDB-BISEW has piloted the use of awqaf – as a form of Islamic social finance – in a development context.

Historically, awqaf have played a major role in providing sustainable finance for many social services, including education and health. Today, many modern Western institutions, most notably major universities, depend heavily on their endowments. Nevertheless, endowment financing had never before been part of development policy.

IsDB has successfully revitalized the concept of awqaf, introducing awqaf financing as an effective tool to solve difficult socio-political issues. It has achieved this by financing the development, renovation and purchase of revenue-generating real estate assets. This revenue provides financial sustainability for development initiatives.

After testing the model, IsDB institutionalized this approach. It established an innovative impact investment fund based on a unique development model with long-term financial sustainability at its core – the Awqaf Properties Investment Fund (APIF).

Although approximately 30% of APIF projects serve educational purposes, IsDB-BISEW is unique. As one of the earliest awqaf projects in which IsDB continues to actively participate, IsDB-BISEW represents a model reference case of a waqf project. It represents the best features of the awqaf decentralized model as a development tool, which can be tailored towards social interventions that take account of the most intricate details of the local context.

IsDB-BISEW embodies the concept of sustainability. At the top of its governance structure is a mutawalli committee, which meets on a quarterly basis and includes three members nominated by IsDB. The initiative undertakes the funding, formulation and implementation of projects in the areas of education, human resource development and institutional strengthening. Over the last 17 years, it has

supported educational programs, targeting the most promising but disadvantaged youth to fill critical skills gaps.

Furthermore, IsDB-BISEW has accumulated significant financial reserves to use for its expansion. In fact, 30% of its annual income has been consistently directed to a sinking fund (except for two years). With these resources in hand, IsDB-BISEW is currently in a position to implement a new waqf project, partially financed by its own resources and partially by APIF, with land allocated by the Bangladeshi government.

IsDB-BISEW was established to transform Bangladeshi youth into a productive workforce by strengthening their technical capabilities using existing and emerging technologies for sustainable economic growth and equality. As such, the major barometer of success guiding operations is job placement.

According to its deed of waqf, IsDB-BISEW aimed to provide financial assistance to serve an educational mandate, supporting the education of Bangladeshi Muslim students, Islamic educational institutions and orphanages in Bangladesh. Unlike most IsDB awqaf projects, in the case of IsDB-BISEW there was no pre-existing organization. Furthermore, the grant component of the project was very large.

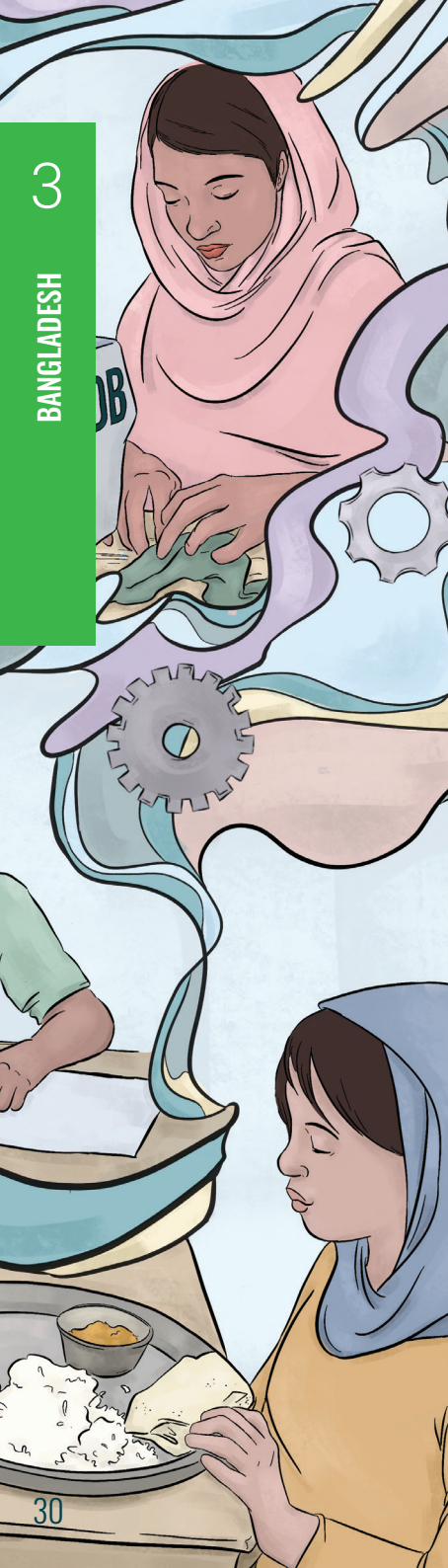
These two factors meant that IsDB played the role of founder rather than simply financier. In this case, the endowment and educational organizations were created simultaneously as a single integrated initiative, which could then develop its own educational programs. Furthermore, the grant component ensured a minimal repayment burden, meaning that funds were immediately available to support educational activities.

The main output of the project was the construction of a waqf complex in Dhaka, Bangladesh, named IsDB Bhaban. Although the early stages of IsDB-BISEW are traced to an agreement between IsDB and the Government of Bangladesh in 1987, the IsDB Bhaban waqf facility only began operating in 1997. Subsequently, it began to serve its educational mandate in 2003 and continues to do so today.

The IsDB Bhaban complex is a 20-storey mixed-use commercial building and a four-storey computer shopping complex – BCS Computer City. Construction was financed through a USD 10 million grant and USD 3.2 million of financing, both from IsDB. Among the tallest buildings in Dhaka, IsDB Bhaban at Agargaon is one of the most prestigious buildings in the capital, housing United Nations bodies as well as other multinational organizations and companies.

Stories of hope and smiles

“IsDB has successfully revitalized the concept of awqaf, introducing awqaf financing as an effective tool to solve difficult socio-political issues.”



The excellent quality of IsDB Bhaban's tenants has helped it achieve a high-level and stable financial income. The budget estimates for the financial year July 2018 to June 2019 indicate a total gross income of approximately USD 4.56 million.

In addition to covering expenses, this income has contributed USD 19.6 million in project disbursements since its inception (a yearly average of USD 1.23 million of support to educational programs). Over the same period, 30% of gross income has been channeled into a sinking fund.

From inputs of a two-acre plot of land from the Government of Bangladesh, in addition to a USD 10 million grant and USD 3.2 million of financing from IsDB, the direct outputs have been impressive. IsDB-BISEW has made USD 19.6 million in project disbursements and sits on a sinking fund of USD 10.68 million, as well as a piece of property estimated to be worth USD 50 million. IsDB-BISEW currently holds approximately USD 160 million worth of assets.

The revenue from IsDB Bhaban is used to deliver various forms of socio-economic benefits for end beneficiaries; the project sponsor and beneficiary organization; awqaf and the philanthropic sector; and the local economy. IsDB-BISEW supports five programs: the IT Scholarship Program; the Vocational Training Program; the Madrasah Program; the Scholarship for 4-Year Diplomas in Engineering Program; and the Orphanage Program.

The IT Scholarship Program aims to transform the large population of unemployed university graduates from non-IT fields into productive members of the workforce by strengthening their technical capabilities in the field of information communication technology. It provides training in employability-focused IT skills that are in demand. The course is intensive, lasting just over one year.

The program trains 1,200 students per year. International IT certifications' exam fees are covered by the scholarship. But support does not end there: course graduates are helped to find employment. To date, this program has awarded 12,778 scholarships. A total of 9,961 computer literacy programs and 6,753 professional courses have been completed; and 5,922 job placements made. Indeed, IsDB-BISEW's IT Scholarship Program is held in high regard by employers, who often explicitly mention a preference for IsDB-BISEW graduates in job advertisements.

The Vocational Training Program aims to transform the lives of high-school leavers – who failed to pursue further education due to financial constraints – by strengthening

their vocational skills. It covers fees for training in trades such as electrical works and electronics; machinist work; refrigeration and air-conditioning; and welding and fabrication. Furthermore, it supports the trainees by providing free accommodation and food facilities, as well as a monthly maintenance allowance. At the end of the program, it assists with job placement. To date, this program has awarded 1,288 scholarships. A total of 950 trainees have completed courses and, of those, 872 have found a job.

The Madrasah Program develops physical facilities in madrasahs and has introduced a Dakhil (Vocational) Program by providing complete facilities under the Bangladesh Technical Education Board (BTEB). Through the program, academic buildings and vocational workshops are constructed; teaching staff recruited; raw materials, tools and equipment supplied; and registration and exam fees covered. There are as many as 27,210 beneficiaries, including 1,068 vocational graduates. Many of these achieved positions in the top 20 of the BTEB final exam from 2011 to 2015.

The Scholarship for 4-Year Diploma in Engineering Program creates opportunities for Dakhil (vocational) graduates of the Madrasah Program to complete a four-year diploma in engineering in government polytechnic institutes. The program provides TK 2,500 in tuition fees (per semester), TK 2,000 in pocket expenses (monthly), and TK 500 for books and other materials (monthly). A total of 171 scholarships have been awarded, with recipients attending one of the 34 government polytechnic institutes covered.

The Orphanage Program consists of a single project to date – the Khaiyarbhangra Orphanage in Madaripur. Residential accommodation has been constructed for 100 orphans. Half of the orphanage's monthly food expenses are covered. Classes are run for the orphans, who have achieved a 100% pass rate in public exams, securing government merit scholarships.

A total of 1,350 orphans have benefited with 20 to 30 new orphans being enrolled each year.

At the level of individual end beneficiaries, the benefits attained by trainees are expected to be sustained over multiple generations. As attested by many IsDB-BISEW alumni, especially of the IT Scholarship Program, enrolling in a program represented a once-in-a-lifetime opportunity for them. It completely changed their prospects and ultimately their standard of living, and that of their families.

The waqf project saw the creation of a new institution, complete with its own governance and management structures. This institution has evolved over time,

Stories of hope and smiles



**“The excellent quality of IsDB Bhaban’s tenants has helped it achieve a high-level and stable financial income.”**



improving its ability to efficiently and effectively utilize the return from the waqf for educational programs, and thereby delivering on the waqf's purpose and mandate.

For the Bangladesh Ministry of Religious Affairs' Waqf Administration, represented on the mutawalli committee of IsDB-BISEW, this project is a major success. It represents a significant shift in awqaf management in Bangladesh. IsDB-BISEW has received many prizes and honors, raising the profile of awqaf and providing a high-quality role model for emulation within the sector.

IsDB Bhaban's high-quality facilities have positively impacted the local ecosystem for international organizations and corporations. As one of the best maintained and secure buildings in Dhaka, IsDB Bhaban provides high-standard facilities, facilitating the work of international organizations (like the UN). The facilities also house the largest specialized computer market in Bangladesh. As such, IsDB Bhaban has helped vitalize the district in which it is situated.

IsDB-BISEW was one of the earliest providers of IT training, helping to fill a critical skills gap in the early 2000s. This arguably helped facilitate the early stages of the Bangladeshi IT/software sector that is now booming. As a result, IsDB-BISEW's IT Scholarship Program is a model for employment-focused educational/training programs in Bangladesh, influencing the practices of the government and other organizations.

Overall, IsDB-BISEW represents a model case of an IsDB waqf intervention. It has set an example that could impact future waqf projects executed by IsDB or other players. A few of the lessons and best practices gained from the IsDB-BISEW experience are described below. The oversight and administration of IsDB-BISEW has been vested in a "committee of mutawallis" (effectively a board of directors) constituting six members. Three members represent the Government of Bangladesh, while the other three members are nominated by IsDB.

Although this structure is a direct result of the partnership between the government and IsDB, and as such is unique, it provides a model of successful governance. The competence and professionalism of the management team is a direct result of the well-designed governance structure and close oversight of the waqf. Management utilizes dashboards and IT systems to maintain quality, oversight and transparency.

One critical lesson learned from the IsDB-BISEW experience is the usefulness of both IsDB and government membership on the board of a waqf project (mutawalli or nazir committee). IsDB membership ensures quality and avoids deviation from the initial deed

of the waqf. Furthermore, continued IsDB involvement can boost the standing of the organization, given its continued affiliation with an international organization.

Government membership of the board facilitates the speedy achievement of objectives by guiding decision making and providing the necessary advice and network to facilitate the waqf objectives. Furthermore, government membership helps transfer expertise in both directions, promoting the idea of waqf in government by providing detailed knowledge of the success of waqf programs.

More generally, the establishment of a mutawalli/nazir committee as a model for waqf institutional management is superior to the traditional practice of nominating individuals as nazirs, which can lead to corruption or, at the very least, weaken decision making.

The management office of IsDB-BISEW is housed within the waqf building itself. The management team, headed by the CEO, oversees management of the waqf facility and employs a team of educational consultants to manage the various programs of IsDB-BISEW. This team of consultants ensures that the educational programs perform to the highest standards, with continuous monitoring and improvement. This has produced programs closely tailored to the local context with detailed checks and balances.

The intricate design of IsDB-BISEW's educational programs is the result of an organic process of continuous improvement that has taken place since the programs began in 2003. Thus, these practices can be taken as the starting point for future waqf projects with similar educational mandates. They include dependence on third-party service providers for training with strong in-house verification and testing of students' progress; biometric verification of physical attendance; and payments to providers that are structured around and closely tied to performance and attendance. Employers are continuously surveyed, and curricula updated accordingly.

Additionally, IsDB-BISEW's selection of tenants and building use has been highly successful: tenants have been limited to international organizations and multinational corporations to ensure smooth cash flow (the UN, for example, makes its rent payment 100% in advance). As for the podium market, IsDB-BISEW management remained adamant that it should be branded as a highly specialized (computer) market, making it a uniquely attractive venue for computer-related businesses.



**IsDB Bhaban's high-quality facilities have positively impacted the local ecosystem for international organizations and corporations.**



IsDB



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# Leveling The Field

STORY OF **Amal Hadid**

WRITTEN BY **Syed Hassan Alsagoff**

Targeting the most vulnerable segment of Egyptian society, the Ard El Khair program provides support, resources and training in raising livestock to young rural women as a path to sustainable employment. The Islamic Development Bank (IsDB) provided restricted mudaraba financing for the program through its Youth Employment Support (YES) program, which offers USD 50 million to provide unemployed active youth with opportunities to become more self-sufficient through income-generating activities. Although the YES program focused on youth employment, the challenge was to ensure that the most vulnerable segments within this population were included. The Ard El Khair incubator, which was financed through the YES program, aimed to address this challenge.



In the vast golden fields of El Wadi Farm, situated 500 km away from the old city of Cairo, herds of cows roam freely, grazing the 30 acres of lush fertile pasture that surround them. A soft breeze passes through, rustling the leaves of trees nearby and the smell of freshly cut harvested hay lingers in the balmy air. Along the fields, a winding dirt road leads to a small concrete building on a farm, where a group of local women from a nearby village gather for a morning training session on cattle fattening.

The women have different reasons for being here. One is the sole breadwinner of her family and is struggling to make ends meet, while another lacks sufficient knowledge on how to run her own business. I myself, a recent medical graduate who had hopes of becoming a doctor, am in the room, both urgently and unexpectedly. Like many young women living in El Wahat el Bahariya, one of the poorest governorates of Egypt, my life hasn't exactly gone the way I had planned.

The 2009 financial crisis, and the turbulence of the subsequent Arab Spring, sparked a political crisis and led to some decline in economic growth in Egypt.

Young Egyptians continue to struggle with employment, with women impacted the most. A survey conducted by UN Women shows that economic activity among female youth in Egypt is strikingly low compared to their male peers: 82.1% of non-student female youth are out of the labor force, compared to only 13.6% of non-student male youth.

The survey also found that the average duration of unemployment among youth in Egypt is 120 weeks, or more than two years. Among young males, the average is 109 weeks while the average for young females is significantly longer at 141 weeks. Of these, young women from rural areas face a particular set of challenges. Due to being geographically farther from the city, our economic opportunities are significantly limited. Upon graduating, I struggled to find a job near my village and couldn't afford to commute.

After almost a year of looking for work, my family encouraged me to get involved in agriculture, a high-risk sector, especially for those who do not have the capacity or experience to mitigate risks. I had already heard the stories of hardship experienced by my neighbors who worked out in the fields. Faced with gender-specific obstacles, such as lack of access to land, financing, markets, good working conditions and equal treatment, these women were at a significant disadvantage before they even sowed a seed or plowed a field.

This was precisely what led so many of them to sign up to a nine-month training program. Run by Ard El Khair, a livestock production company, and financed by IsDB, the program provides young rural women in Egypt with the training, support and resources they need to raise livestock as a means of sustainable employment. Upon acceptance into the Ard El Khair incubator, we received a murabaha loan, which was used by Ard El Khair to purchase cattle for us to fatten. Since they purchased in bulk, the cost of the cattle was significantly lower than if we were to purchase them ourselves.

We attended classes four days a week for three hours, allowing us to balance our work with our family commitments. We also received an allowance, which helped to support us while we learned. During our training, we were taught about best practices in cattle fattening, such as nutrition, sanitation and veterinary activities. I quickly grew fond of my adorable cattle, though initially I could only recognize them from their tags, which indicated they were mine. But soon enough, I knew which ones belonged to me immediately and could tell they recognized me too. By working on our own cattle from the start, we received an accelerated, hands-on learning experience.

At the end of the training, Ard El Khair sold our fattened cattle to its clients, including hotels, schools and wholesalers, and distributed the residual income to us after deducting the cost of production and marketing. On average, we earned about USD 166 per month, in addition to the training we received that enabled us to start a small cattle-fattening business of our own. Importantly, the training has increased our self-confidence and ability to successfully run our own ventures.

What I particularly enjoyed about the program was that we were never treated like underprivileged segments of society, or as useless and incapable. Providing vocational training without any financing or providing financing without any training would not have generated positive results. By treating us in a dignified manner, and as potential business partners, the program created an environment that helped us to maximize our potential.

Since graduating from the program, the other women and I have all become self-employed and started our own small cattle-fattening businesses from home. We are now bringing in a good income and able to provide a better life for our families. We can also still rely on Ard El Khair for advice and veterinary services, and we can always ask the company to purchase and sell cattle on our behalf to markets we would otherwise have difficulty accessing.

“By treating us in a dignified manner, and as potential business partners, the program created an environment that helped us to maximize our potential.”

“From the outset, we were trained and treated as partners and not as debtors.”

From the outset, we were trained and treated as partners and not as debtors. As such, each one of us graduated as a partner of Ard El Khair. Coming from a poor background, it was very important for me to be properly trained while being protected from unknown risks and costly mistakes. Through successful completion of the program, each one of us graduated as a partner of Ard El Khair.

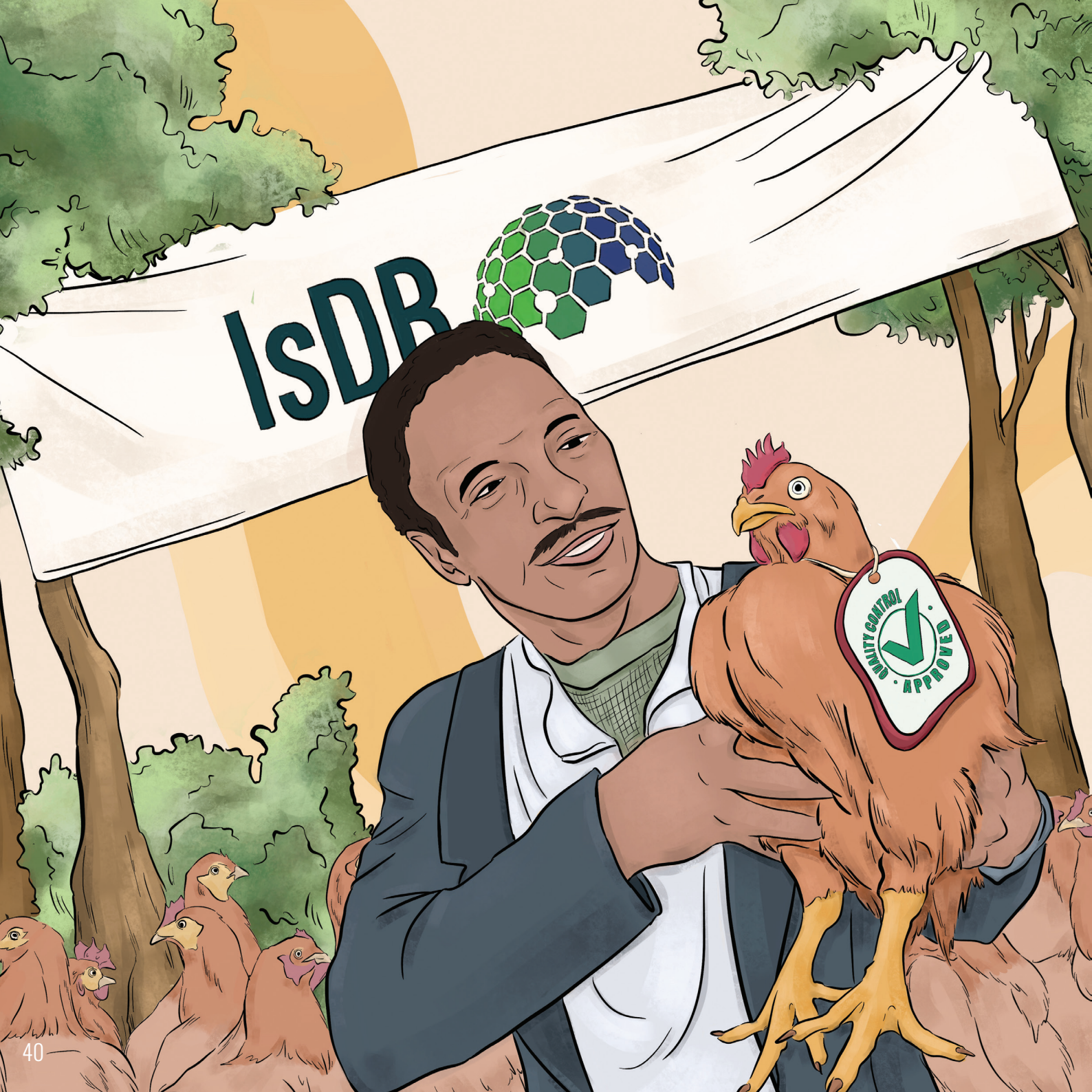
I believe supporting the empowerment of women involved in livestock production is an important end, and a promising instrumental pathway to reducing household poverty and enhancing household nutrition. Now when I wake up every day at dawn to start work on my own farm in the rural village of El Wahat el Bahariya, I realize the vast expanse of pastureland around me brings with it an abundance of new opportunities.



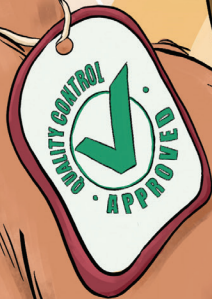


IsDB 

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# Birds Of A Feather

STORY OF **Munir Saeed**

WRITTEN BY **Mohamed Ali Laswad**

The Technical Cooperation Program (TCP) of the Islamic Development Bank (IsDB) recruits experts to provide advisory services for capacity building in member countries; it is a South-South cooperation grant-based program focusing on the transfer of knowledge, skills and expertise. Built around a tripartite scheme, the program involves three partners in each of its activities: a technical donor, a beneficiary and IsDB as a facilitator. Experts are matched to complement the capacity-building efforts of the beneficiary in the desired field to enable an effective transfer of knowledge and skills.

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Yemen



It was a difficult day when I was informed by the production and marketing manager at my small poultry company of the death of large numbers of chickens due to an unknown disease that the veterinary department was unable to treat.

I phoned the company's veterinarian to ask about the nature of the problem. He concluded the call with a promise that he would manage the matter himself. I began thinking about how I could overcome this crisis, the like of which had not been seen since my appointment as director general of the poultry company.

Eventually, I decided to contact my cousin, Sami, who was known for his common sense and wisdom, and who worked as an employee at the Ministry of Planning. I went to his office and explained the problem and asked him for advice.

Sami encouraged me to be positive and to face up to the challenge. He felt that some external help was needed and suggested asking IsDB to recruit an expert specializing in poultry diseases from one of its member countries. His work in the Ministry of Planning had made him aware of many of IsDB's activities, and he described the Bank as "the bank of giving and the pride of Muslim nations in an era of challenges".

I was excited and agreed with my cousin that this was a good idea. After some urgent correspondence between the Ministry of Planning and IsDB's Technical Cooperation Office, Dr. Mohsen, an international expert in poultry diseases, was delegated by IsDB from one of its member countries.

Dr. Mohsen started his work immediately. The most important challenge he faced was to find the cause of the disease and stop the losses. To save the company, Dr. Mohsen advised me to improve the equipment in the company's laboratory and recruit more qualified staff as the company had only one veterinarian and one technician, which I agreed to do.

One month before the end of his mission, Dr. Mohsen informed me that the disease had been eliminated from the poultry farm. I was delighted. At that moment, Sami arrived at my office to be briefed as usual on the latest developments.

As soon as I saw my cousin, I rushed to embrace him saying, "By the grace of Allah Almighty, the expert has succeeded in eliminating all disease!" Dr. Mohsen had also passed on his expertise to some of the company's staff so that they would be able to solve any similar problems that the company might face in the future.

Sami shook hands with Dr. Mohsen and thanked him for his tremendous efforts. He turned to me and we both agreed that the expert's efforts had helped save the company. The poultry farm subsequently achieved high production and made good profits, so its share price increased in the local stock market.

I officially appointed Sami as my advisor. The company has now opened new branches in many cities of the country and employed large numbers of veterinarians, technicians and workers in permanent jobs. Its products are also rapidly becoming popular in the markets of neighboring countries thanks to their high quality. As a result, the President of the country granted the company the Award of Excellence, and I received the Award of Merit.

My company's success has benefited all segments of society. I have provided some of the company's employees with soft housing loans, and have established a charitable society that takes care of deserving students, widows, orphans, the poor and people with special needs. I have also supported a group of young people to study abroad. The people of the country thank IsDB for empowering the company to achieve this great transformation.

One summer evening, I reflected on the hard-living conditions my poor family had experienced before my appointment in the company. I shared with Sami how I used to go to university in shabby clothes, while my brothers were forced to travel long distances to reach their schools, at a time when my father was struggling.

I explained to my cousin that I joined the poultry company just as it was about to declare bankruptcy. But after saving the company, I experienced a qualitative shift in life. Sami turned to me and replied, "I've told you since the beginning that IsDB is the bank of benevolence and giving." I smiled and said, "Indeed I am grateful to Allah the Almighty, and the positive programs made available by IsDB."



**“The people of the country thank IsDB for empowering the company to achieve this great transformation.”**





# Fruits Of Labor

STORY OF **Haqif Rama**

WRITTEN BY **Syed Hassan Alsagoff**

The Government of Albania requested the support of the Islamic Development Bank (IsDB) to introduce murabaha microfinance to the country's rural populations through Agrokredit, a local finance company. However, Agrokredit was a conventional institution with no knowledge of Islamic finance. As part of its efforts to raise awareness, IsDB conducted a workshop demonstrating the benefits of Islamic finance and how it has helped the poor in other rural populations. Once implemented, the project successfully provided access to an affordable and inclusive source of funding for impoverished segments of society, mainly in rural mountainous regions and the poor urban pockets of Albania.

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**Albania**



I have a favorite fruit for every season: watermelon in winter, peach in spring, strawberries in summer and apples in autumn. Growing up on my family orchard in the district of Elbasan, central Albania, I always looked forward to the different seasons, watching the shades of tree leaves transform slowly, reflecting onto the Shkumbin River like a watercolor painting. The change in temperature brought with it a blossom of new fruits, which I would eagerly anticipate throughout the year.

My family mostly grew fruit and vegetables for own consumption, but in the 1990s, I began cultivating our land to grow more produce so that we could sell it wholesale to the local market. Today that is what I do for a living. Like me, my wife and two children are also fond of farming fruit and vegetables and help whenever they can. Horticulture is slow work which requires a lot of time, effort and patience. It has taken years to build what we have. I spend my days digging, planting, weeding and harvesting, and my evenings watering everything I've sowed.

My wife works in a store, and my children are both studying. When they return home from school, the first thing they do is run to the fields to see what I'm doing. I watch them while I work, climbing the apple tree or sitting under its shade as they read their books. When my wife returns home and starts to make dinner, she often sends the children out to collect fruit or vegetables that she can use for her cooking. The delicious aroma of gjellë me perime – a traditional Albanian vegetable stew – wafts through the window as I finish my day's work out in the fields. I feel very grateful that we can grow our own produce rather than rely on the economy's fluctuating market prices.

Agricultural production in Albania has long been constrained by small and geographically fragmented plot sizes, limited capacity for technological development, and unclear land titles resulting from communist-era cooperative systems. Although more than half the population of Albania is employed in the agricultural sector, it makes up only 18% of the country's gross domestic product. For small-scale farmers like me, yields are low and input costs are high. As a result, many farmers from Elbasan often migrate to seek better employment opportunities elsewhere. I have thought of doing this myself but cannot bear the thought of being away from my wife and children.

I have always wanted to expand my business, but loans with high interest rates left me wary. For people like me, access to finance is both difficult and expensive. But one afternoon, at the trader's market, a farmer informed me about something called murabaha microfinance, which was being introduced by Agrokredit, a local

finance company. With the help of IsDB, Agrokredit was rolling out a plan to provide microloans to poor rural populations in Albania. I had never heard about this type of financing before but was told that it was promoted in many Muslim countries, as an alternative to conventional interest-based banking.

Although I am Muslim, I do not know much about Islam. Albania is religiously diverse, and Muslims make up about 58% of the population, with the remaining identifying as Roman Catholic or Orthodox Christian. Religious observance and practice are generally lax and compared to other countries, few Albanians consider religion to be a dominant factor in their lives. In fact, Albania was declared the world's first and only atheist state by the former communist dictatorship, which imposed an official ban on any religious observances between 1946 and 1990.

However, there was a clear need for alternative microfinance products in rural parts of Albania, and the concept of murabaha appealed to many of the farmers in our village. The potential for developing rural agriculture and tourism in Albania was high, especially following heavy government investment in secondary and rural roads. To support this, IsDB invested USD 40 million to construct 108.43 km of secondary and rural roads, giving poor rural populations much-needed access to develop their local economy.

Following this success, our government requested IsDB support for Agrokredit to provide microloans to poor rural populations. IsDB approved more than USD 5 million comprising an IsDB Loan (USD 4 million), an Islamic Solidarity Fund for Development loan (USD 1 million) and a capacity-building grant (USD 0.3 million) to finance this project.

However, Agrokredit was a conventional microfinance institution that had no knowledge of Islamic finance. In fact, staff at the company were concerned about meeting IsDB's requirement for financing to be sharia compliant. This was not just due to a lack of competency in Islamic finance; Agrokredit was concerned that introducing a sharia-compliant product would be viewed negatively among their clients, as many people were still wary of the implications of taking finance based on religious teachings.

As part of its efforts to raise awareness, IsDB conducted a workshop on Islamic microfinance, explaining its benefits to the management staff of Agrokredit, who were a mix of Muslim, Orthodox Christian and Roman Catholic. Although most of the company's management staff were non-Muslims, they were intrigued by

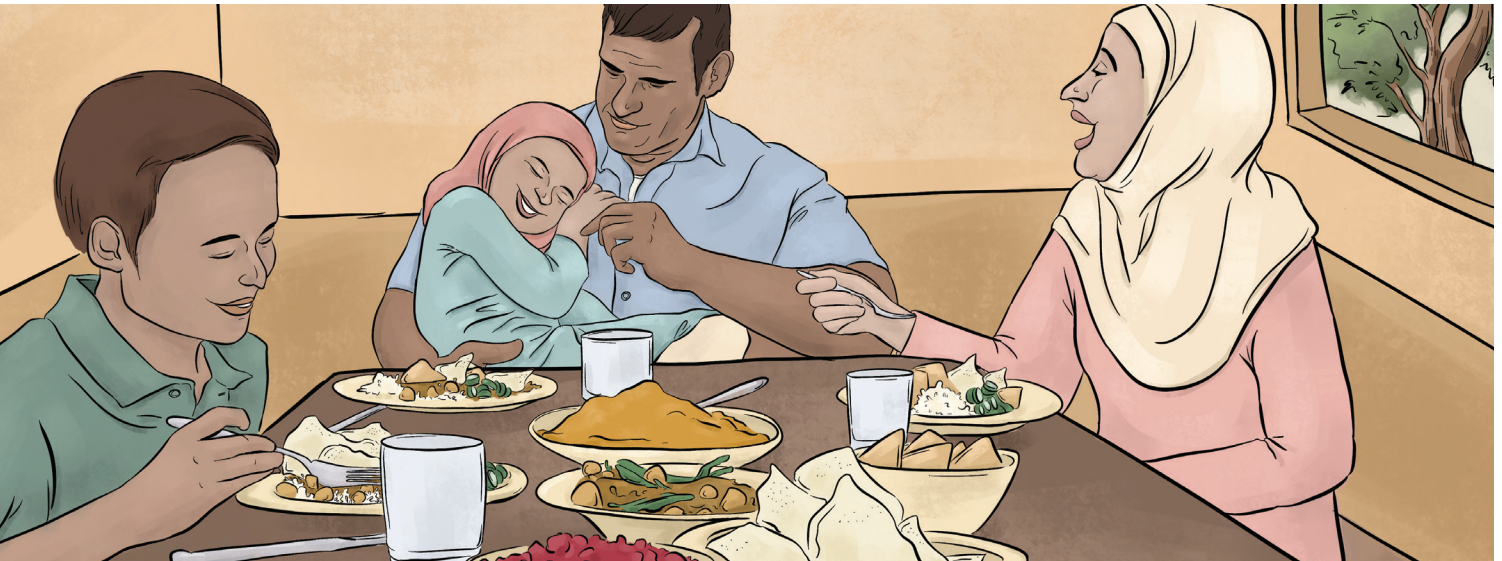
“With the help of IsDB, Agrokredit was rolling out a plan to provide microloans to poor rural populations in Albania.”

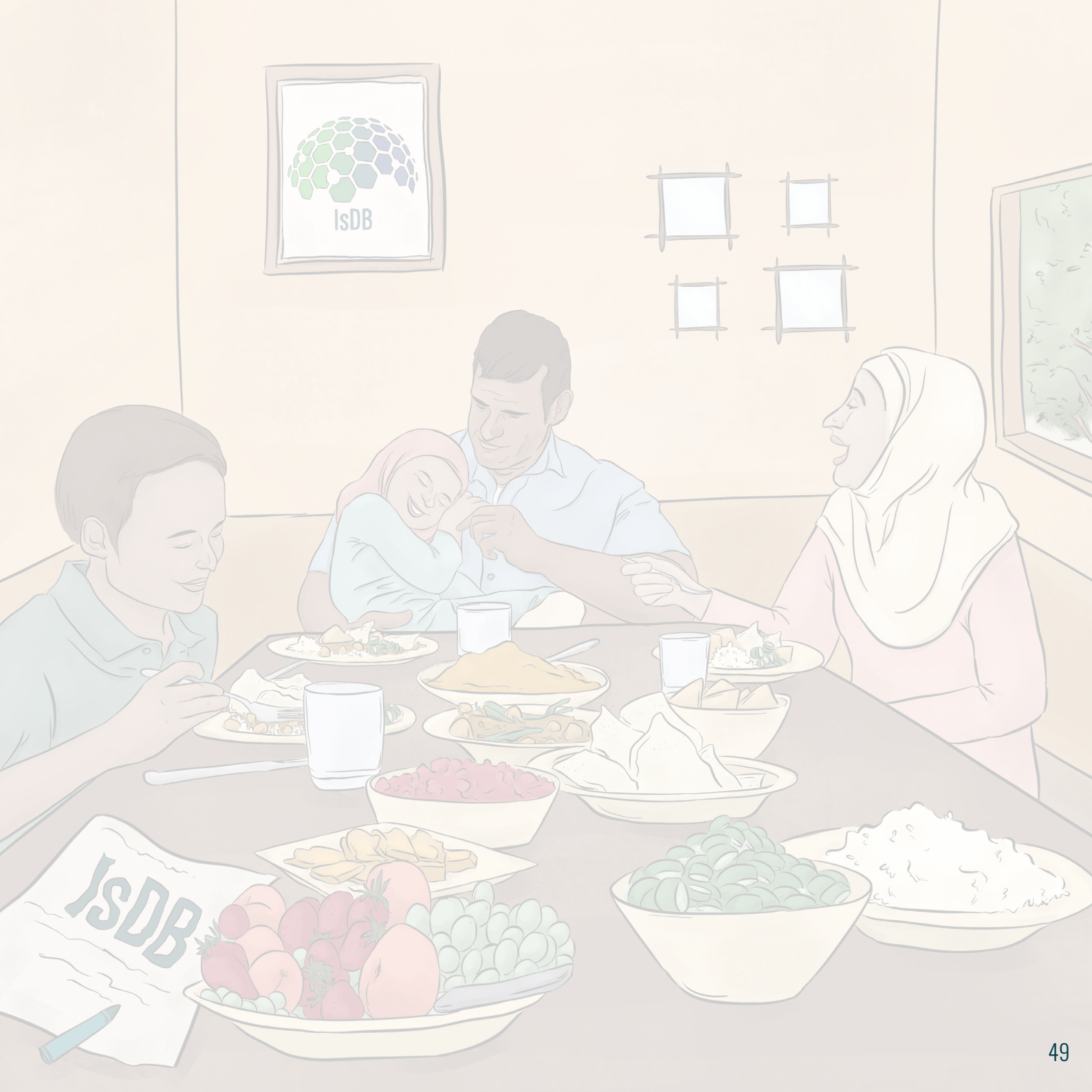
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**The financing has allowed me to expand my business, so that I can grow and sell more fruit and vegetables at a better price.**”

a proposed alternative mode of finance that did not rely on interest and could be beneficial in financing real economic transactions. They were also keen to learn how to implement the best practices of Islamic microfinance, which had been proven to benefit the poor in other rural populations.

The microfinance project provided access to an affordable and inclusive source of funding for impoverished segments of society, mainly in rural mountainous regions and the poor urban pockets of Albania. Upon learning of its benefits from other farmers who had used the product, I also applied for murabaha. Using my household appliances and furniture as collateral, I was able to obtain financing of up to 500,000 Albanian Leks. I was impressed with how quickly this was processed, and the relatively low costs associated with it.

The financing has allowed me to expand my business, so that I can grow and sell more fruit and vegetables at a better price. I have also been able to increase my range of products, which has led to an increase in service quality and consequently, an increase in income. Business is doing well, and I can offer my family a better quality of life, as well as spend more valuable time with them. Murabaha financing with the help of IsDB has not only provided a better future for rural Albanians, but prevented a stream of people leaving Elbasan in search of a better life, by enabling them to create one where they are.









# The Coffee Connoisseur

STORY OF **Koster Tarihoran**

WRITTEN BY **Raghda Elsharawy** in association with **Aymen Kasem and Fathu Hidayat**

North Sumatra is the top arabica coffee region in Indonesia, yet many coffee farmers lack an understanding of good agricultural practice for proper coffee cultivation. To address this, the International Islamic Trade Finance Corporation (an autonomous entity within the Islamic Development Bank), in collaboration with the Sustainable Coffee Platform of Indonesia and the Petrasa Foundation, implemented the Coffee Farmers Field Training Program (CFFTP) as part of its Coffee Export Development Program. The aim of the CFFTP was to improve the knowledge of coffee farmers in Indonesia and equip them with the necessary skills to increase the quality and quantity of their coffee production in a sustainable way.

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Indonesia



At the break of dawn, I hurriedly put on my frayed boots and secured my straw hat. I carefully closed the door behind me and swiftly stepped out into the cool, crisp morning. It was a new working day on the farm, which meant another opportunity for my crops and withered hopes to yield. But on this particular day, I had a special feeling. I had done everything right: ploughed the soil with extra care, planted the seedlings with patience and even used extra fertilizer. Now, it was time to reap the rewards and witness God's miraculous work.

I slowed my stride as I approached my farming plot, heart racing like the wild winds that had destroyed a third of my harvest the previous year. With wondering eyes, I came to a sudden halt. Where I had expected a school of lustrous shoots, standing upright with firm determination to grow into proud arabica coffee plants, I discovered wilting shoots, bowing helplessly. My hopes sank and shriveled into the mud beneath my feet as I silently despaired. With four children and a wife to look after, I had hoped this year would be a good year.

But with an average coffee production of a mere 12 kg a fortnight, I was struggling to provide for my family and improve their impoverished living conditions. I thought about my daughter Irma, who I had promised to buy a new school bag as her books kept falling out from the holes of her old one. I thought about the leak in the kitchen that my wife constantly complained about, and the new revision books my son Rio would need for his upcoming exams. But with such poor cultivation, what was I to do? Feeling helpless, I raised my hands to the sky and prayed.

Growing up in North Sumatra, the top arabica coffee region in Indonesia, I had dreams of cultivating my own coffee farm since I was a young boy. I would watch my father working out in the plantation from dawn till dusk, returning home with a muddied face and cracked fingertips from laboring in the sweltering heat. I remember one day asking my father why he worked so hard and he replied, "Koster, my son, God does not change the condition of a people until they change what is in themselves. We must work hard to succeed in life."

With generations of coffee farmers in my family, I also wanted to follow in my father's footsteps and make him proud. I knew that coffee was the most common agricultural commodity in our region and heard that the global demand for it was rising day by day. According to the Indonesian Central Statistics Body, in 2018 Indonesian coffee exports rose by almost 13% from the previous year to 464,000 tons. The total annual export value from the coffee industry was USD 1.2 billion or

around IDR 16.8 trillion. Coffee farming offered many of us in North Sumatra the opportunity for a better life. But like other farmers in my village, I was harvesting poor crops year after year and struggling to get by.

One day, news reached the plantation that a local NGO, the Petrasa Foundation, was implementing the Coffee Farmers Field Training Program (CFFTP) as part of the International Islamic Trade Finance Corporation's Coffee Export Development Program in Indonesia. The program would provide training in organic coffee production and enable arabica coffee farmers to improve their knowledge and equip them with the skills to increase the quality and quantity of their coffee production. "All praise be to the Lord," I said out loud. "This is exactly what I've been praying for!" With sessions running throughout the year and available at a local training center, I decided to enroll. I remember the very first session I attended after traveling 15 km by bus – walking nervously into the building like a schoolboy on his first day at school. I peered around the conference room filled with 20 unfamiliar faces and realized that they too were anxious like me. Some fidgeted in their seats while others attempted to make small talk.

"Are you looking for a seat? This one is free," a friendly man said, beckoning me towards an empty seat next to his. I smiled as I sat down and within minutes, I had made my first friend, Boru Capah. At that time, I didn't realize Boru would become a lifelong friend. As a like-minded coffee farmer, who was determined to overcome the challenges of coffee farming, Boru was ready to share his farming methods and best practices with me. God has an incredible way of placing people in the right place at the right time, I thought to myself. Excited, I was ready for this new chapter to begin.

The aim of the CFFTP was to improve the livelihoods of coffee farmers in Indonesia by enabling us to get a better price for our coffee. The training program lasted a year and was designed to address the common challenges we faced, such as the utilization and optimization of local natural resources to produce organic and low-cost fertilizers and pesticides that were environmentally friendly. The program also provided us with materials to implement the new practices. Two chopping machines were supplied as simple equipment that could be used to produce organic fertilizer. In addition, more than 2,500 coffee seedlings and 1,000 shade tree seedlings were distributed.

I learnt a lot during the training, especially the importance of good agricultural practices (GAPs), which I began applying in my coffee farm immediately. I planted shade trees to protect my coffee trees from direct sunlight, which also helped to

A decorative illustration on the right side of the page features coffee plants with green leaves and clusters of red coffee cherries. Below the plants, several coffee beans are shown falling into a large, light-colored sack. The sack is filled with coffee beans and has a circular logo on its front. The entire illustration is rendered in a soft, sketchy style with muted colors.

**I learnt a lot during the training, especially the importance of good agricultural practices (GAPs), which I began applying in my coffee farm immediately.**

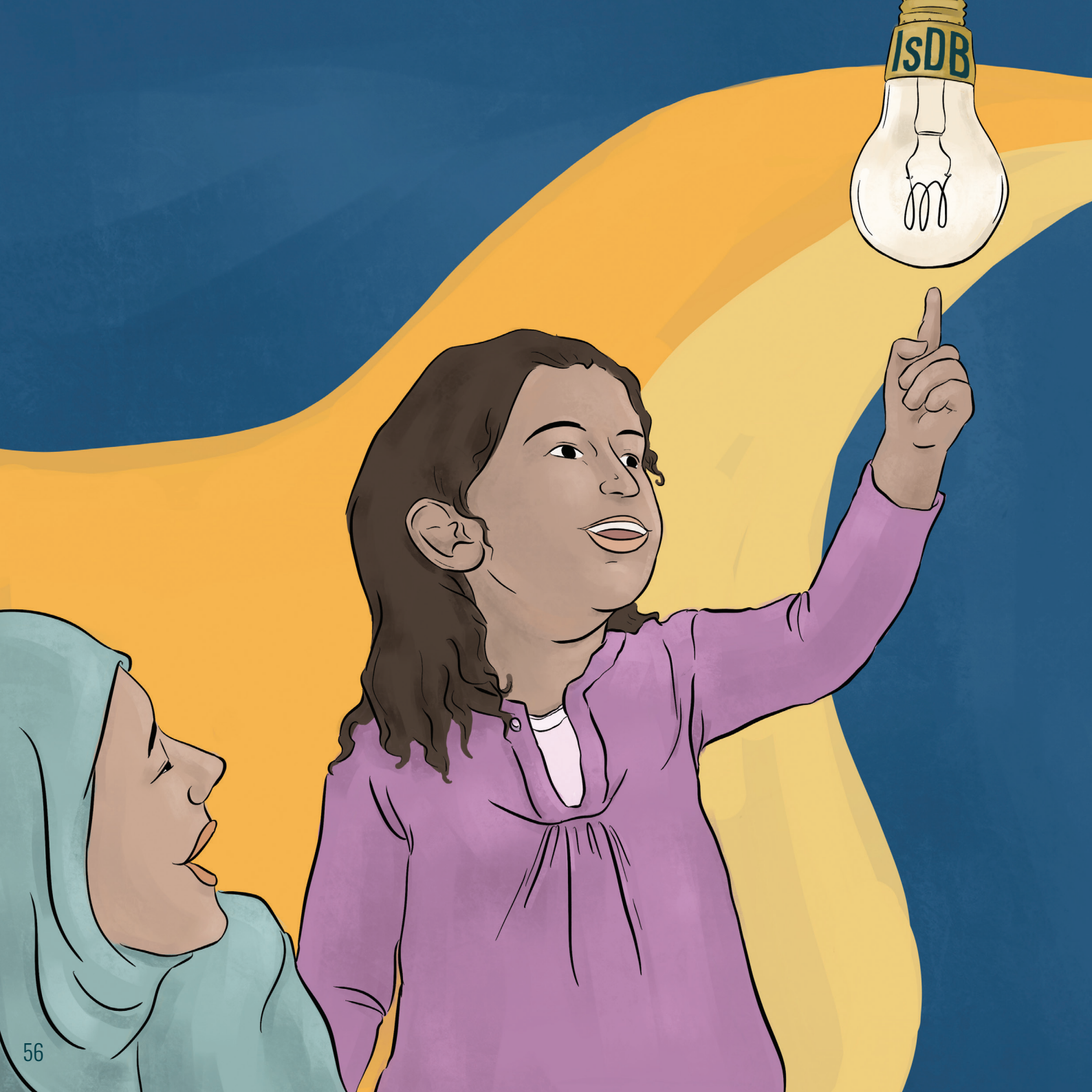
“**From a humble coffee farmer, I was now a coffee connoisseur.**”

absorb the water, improve soil fertility and prevent erosion. As a result, my pruned coffee trees showed significant positive changes. Prior to the training, my farm had thin soil, unhealthy plants, and unproductive twigs and shoots. Now, the plantation had healthier soil and healthier plants with more productive branches. My average coffee production increased to 40 kg per 2,000 m<sup>2</sup> every two weeks, or around 75% more than before.

Two years later, I found myself resting under the shade of a tree on my coffee farm, admiring the abundance of ripened reddish-purple berries – waiting to be picked, roasted and ground. My favorite part of the process was packaging the coffee and labeling it with my very own coffee brand, Pinagar Sidikalang Arabica Coffee. My business was doing well, and I was bringing home around IDR 3,000,000 a month. From a humble coffee farmer, I was now a coffee connoisseur. As I stood up, I heard my daughter Irma call out to me from a distance, as she returned home from school. I waved to her as she ran into the house, a new school bag resting on her back. I smiled, thinking of how far I had come; indeed, God does not change the condition of a people until they change what is in themselves.









# Illuminating Egypt

WRITTEN BY **Abdelnaby Gafar**

Cooperation between Egypt and the Islamic Development Bank (IsDB) has grown considerably in recent years, with a total funding of USD 12.4 billion. The majority of this (79.4%) has been spent on growing Egypt's energy sector. The expansion and development of gas and electricity power plants across Egypt has improved the capacity of electricity generation to keep pace with increasing demand. IsDB's involvement in Egypt's energy sector is in line with IsDB energy policy, government priorities and the country's energy sector strategy. In 2019, IsDB and Egypt agreed a further USD 3 billion to be allocated until 2021 to support several development projects, including electricity, transportation, education and a private sector partnership.

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Egypt



As I do every year, I traveled to spend my annual vacation in Egypt. As I took my seat on the plane, an elderly man arrived, greeted me and sat down. We soon started a conversation and I got to learn a bit about him. Ahmed was an electrical engineer from the governorate of Assiut and had been working for a large engineering company for over 10 years. I explained that I was an employee of IsDB in Saudi Arabia and had worked there for nearly 18 years. As soon as Ahmed heard this, he smiled and said, “You work in an institution that is a symbol of development in Muslim countries.”

I told him that he seemed to know the Bank well, as if he was one of its employees. Ahmed replied, “This institution is well known at the level of economic and social development in the Muslim world, especially in times of disaster and crisis. IsDB is a strategic partner in development in many countries, including Egypt. In fact, it was one of the strategic partners responsible for advancing the electric and gas power sectors in Egypt.”

I asked why IsDB had been involved in these sectors specifically, and he explained that the electricity and gas crisis in Egypt in 2014 had a disastrous effect on all other sectors in the country, and many electricity networks and gas lines were destroyed. Ahmed described how during the crisis, daily life in Egypt was severely affected. The transportation sector was disrupted, particularly the railways and subways. Bakeries and water pumping stations stopped working, and Egypt witnessed daily queues for gas, bread and water; even vital state institutions were not spared.

The crisis was made worse as Egypt struggled to secure loans from international banks, which meant that it was unable to build new power plants. As a result, inadequate power grids operated at full capacity to meet increasing demand, and regularly scheduled shutdowns for maintenance were canceled. This led to decreased efficiencies, shorter lifetimes and a high risk of further power cuts. But in mid-2015, the government announced that a new law would be passed liberalizing the electricity sector. Under the law, the state would no longer manage utilities, but instead regulate and coordinate them. Production, distribution and transmission of electricity would be separated and privatized, and the state’s role would be limited to keeping the sector competitive.

To assist, IsDB worked closely with the Egyptian government to establish crucial energy projects in key governorates. The International Islamic Trade Finance Corporation, an autonomous entity within IsDB, signed a murabaha financing agreement with the Egyptian government of up to USD 3 billion to import petrol, petroleum products, wheat and other commodities.

The electricity sector in Egypt has grown rapidly during the last five years, with the installed capacity of electricity increasing from 30 GW in 2013 to 55 GW in 2018. IsDB financing has facilitated the efforts of the Egyptian government to generate an additional 4,000 MW of energy and construct 174 km of transmission and distribution lines. The sector intervention has increased the reach of electricity to over half a million people, with plans to benefit over 22 million upon complete implementation of active projects. The expansion and development of power plants has raised the living standards of the Egyptian people and increased the capacity of the electricity generation system to keep pace with increasing demand.

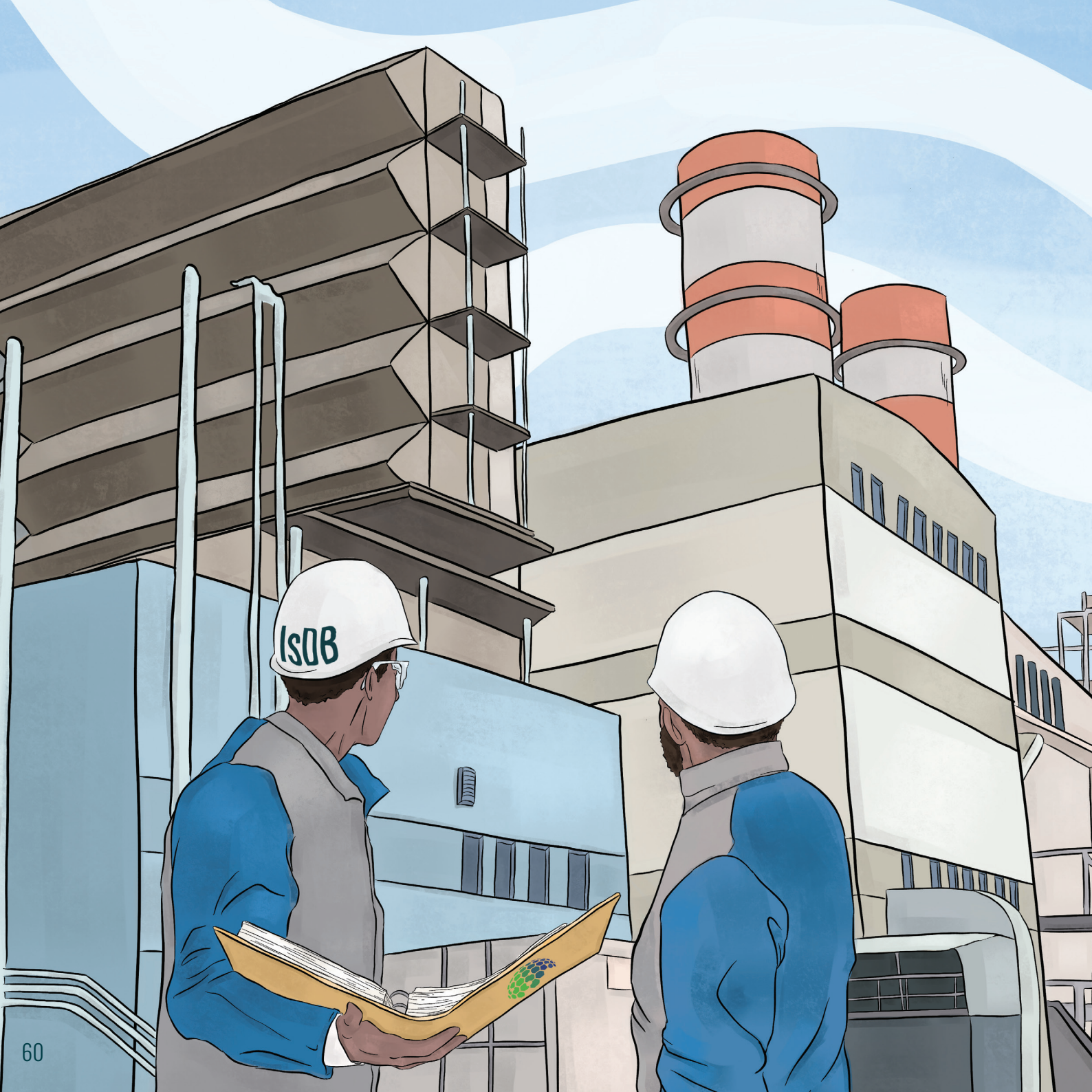
Ahmed and I continued our discussion over the course of our flight. It was interesting to learn from one another about the progress Egypt had made over the years, since it was a country that was dear to both of us. We spoke further about the replacement and renovation of 22 stations, and the installation of complete pumping units in areas where it has brought about the desired change. IsDB had financed the supply of maintenance and replacement equipment for 29 stations, and the supply of 50 electric motors and gear boxes for 36 stations. It also provided training and capacity building for employees of the Ministry of Irrigation, as well as workshops and the financial auditing of completed projects.

We both agreed that it was truly amazing what could be achieved through good cooperation. As strategic partners, Egypt and IsDB have worked together to achieve important development measures, which can clearly be seen on the ground. Egypt now has large power generation plants and a surplus of electricity and gas; its agricultural area has increased; and the performance of most sectors has improved. I looked forward to seeing this for myself during my visit.

When we were asked to fasten our seatbelts before landing at Cairo Airport, Ahmed turned to me and said, "It is a nice opportunity to meet with an IsDB employee. Many people consider IsDB the greatest institution for development in the Muslim world, and I extend my thanks to the Bank and its employees." I smiled and thanked him in return for his company. As our plane began to lower itself, I looked through the window and watched the thousands of glittering lights scattered like stars across Cairo, lighting up the entire city.



**As strategic partners, Egypt and IsDB have worked together to achieve important development measures, which can clearly be seen on the ground.**





## Improving Energy Security

WRITTEN BY **Momar Sow**

The Government of Benin approached the Islamic Development Bank (IsDB) in March 2014 to request financing for a 400 MW thermal power plant. In April, IsDB undertook a fact-finding mission in Cotonou to discuss the sizing, fuel type and the dispatchability of the proposed capacity. IsDB convinced the government to introduce the program in phases, with a first phase of 120 MW to be commissioned by 2019. The first phase therefore became a priority for the government to alleviate the shortage of electricity supply in the country and to stimulate economic growth. The construction of the Maria Gléta dual-fuel power plant has secured Benin's energy needs, while improving local livelihoods.

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Benin



The days of my life growing up in Cotonou, riddled with its ridiculous power outages, are etched in my memory. Despite all its shortcomings and the seemingly never-ending line of problems, I grew up to love the city. We were fortunate enough to live right in the middle of the busiest and one of the most well-kept cities of our beloved Benin.

The power shortfall of our country, however, didn't seem to forgive even its socio-economic center of Cotonou. I still remember one of our teachers telling us that we were importing around 91% of our electricity from the likes of Nigeria, Togo, Ghana and Côte d'Ivoire. He also told us that this electricity import was expected to only increase in the future, with the power demand at the time growing at 10.4% per year.

This made me wonder how this dependency on other countries affects our Gross Domestic Product and the entire nation's dream of becoming one of the strongest and the most developed in all of Africa. Even in 2014, with most of our electricity being imported, there were recurrent power cuts, which affected industrial and home consumers alike.

I was fortunate enough to be offered an observership by our government on the upcoming Maria Gléta thermal power plant construction project. It all started with the government approaching IsDB in March of 2014, in a bid to secure financing for the construction of a 400 MW power plant to move the country towards self-sufficiency in terms of electricity production.

From the official documentation that I was offered to read as part of my report making, I found that the people at IsDB advised our government to break down the project into phases, for quick remediation of our power shortages. The first phase of the series, with a total production capacity of 120 MW, was to be commissioned by 2019.

I remember the joyous reporting style of the national TV host announcing the signing of the lease on December 12, 2014. Some of my fellow community members were even applauding the government for securing such a huge investment for the good of the country.

Although I didn't know the inside details of the project at that time, a quick read of the official documentation showed how the project costs were divided among four key players: IsDB (EUR 119.6 million), BOAD (EUR 15 million), the ECOWAS Bank for Investment and Development (EBID) (EUR 23 million) and finally, the Government of

Benin (EUR 4.7 million). A five-year Operation and Maintenance contract was also put in place, to be effective upon the completion of the power plant's construction.

Not only was the construction of the Maria Gléta thermal power plant project important for the country's power needs, it also served as a much-needed source of income for the country's unemployed. A total of 1,703 local jobs were created by this futuristic project. Even after completion, the thermal plant continues to be a source of permanent employment for 54 local staff members.

Upon its successful completion, the project replaced the outgoing 180 MW of rented electrical power and also an 80 MW gas turbine, both of which were putting an unnecessary strain on our economy. By the end of 2019, the Maria Gléta thermal power plant had saved us roughly USD 11 million, which is a lot for a country like ours.

Everyone in Benin was blown away by the incredible work ethic of the company, with its regard for worker safety; it even went the extra mile by providing 700 mosquito nets to prevent the workers from contracting malaria. A total of 10 different information campaigns were organized for the workers, educating them on sexually transmitted diseases and effective measures for their prevention. Another record-making aspect of the project was the absolute lack of any on-site injuries. There was one off-site traffic accident, related to the project, which was reported in the news.

Reading the documentation later, I came to know about the work that was put into ensuring that there were no ill-effects of the power plant's construction, on either the people or the environment. In the entire history of my homeland, there was never a project so expertly handled and executed.

Even the noise levels are very low, less than 50 decibels to be precise. My admiration for IsDB has increased manifold after getting an inside view on how the project ran its course. There is a distinct mention of the compensation for the 363 people affected by the project and also the allocation of funds for the purchase of the land.

In a first for our country, the project was completed even before the estimated completion date. The joy and the happiness of every man, woman and child in Benin, on August 26, 2019, was worth watching. What is even more surprising is that the initially planned 120 MW capacity of the project was upped to 127 MW, coupled with electricity evacuation and gas supply sub plants. The absence of any mid-project changes in the costs and scope was the cherry on top.

Stories of hope and smiles

“Everyone in Benin was blown away by the incredible work ethic of the company, with its regard for worker safety.”

9

BENIN

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“IsDB had helped us achieve 50% independency in terms of electricity production.”

And just like that, IsDB had helped us achieve 50% independency in terms of electricity production. The benefits are, however, not only limited to power production. A total of 24 new classrooms have been built for students in Houêto, which is nothing short of a miracle for students previously facing a dent in the quality of their education due to the absence of resources and power.

Moreover, the new access road, also rebuilt during the course of the project, has allowed the local population to benefit a great deal, in terms of their trade activities. The Maria Gléta thermal power plant project is surely a steppingstone for a modern, self-sufficient and developed Benin.







IsDB



IsDB

IsDB



# In The Blink Of An Eye

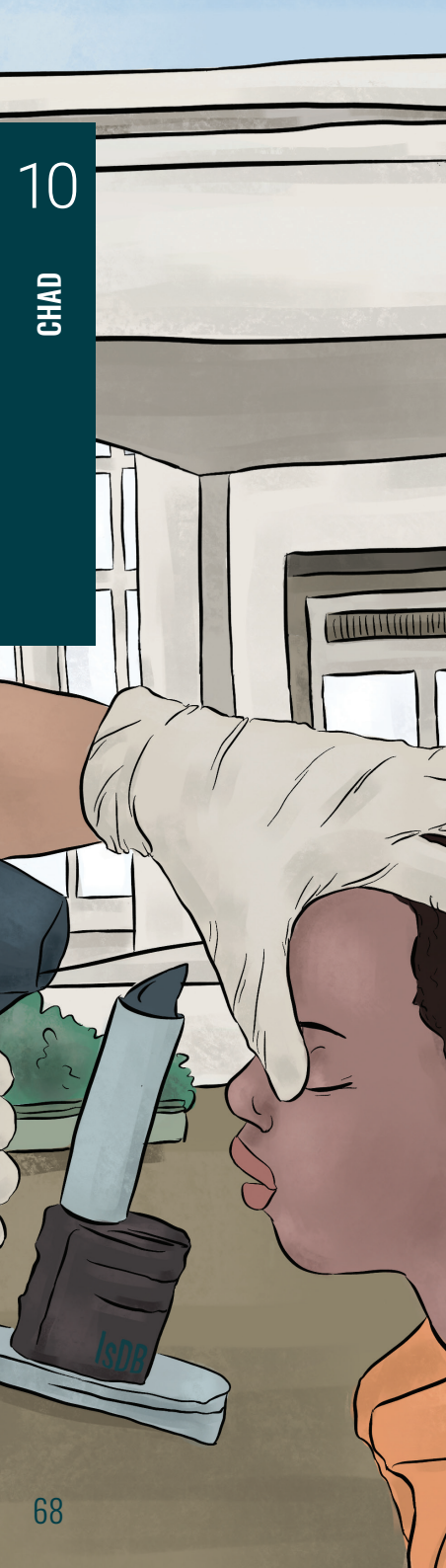
STORY OF **Hussein Yaqoub**

WRITTEN BY **Abdelhakim Yessouf** in association with **Waleed Alwaheeb, Jean-Michel Happi, Riad Ragueb Ahmed, Khemais El Gazzah and Mohannad Zafer Almashharawi**

In 2008, the Islamic Development Bank (IsDB) founded the Alliance to Fight Avoidable Blindness, which brought together partners from across the globe to support and build capacity to fight the root causes of blindness in Africa. The primary goal was to treat cataracts, which are the leading cause of blindness in many countries where ophthalmologists are scarce, and people lack the skills to perform successful surgeries. The first phase of the initiative focused on eight African member countries: Benin, Burkina Faso, Cameroon, Chad, Djibouti, Guinea, Mali and Niger. The Alliance has provided eye care to over 244,000 people and restored the eyesight of more than 49,000 suffering from blindness.

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**Chad**



Hussein lives in the village of Jamara in the province of Wadi Fira, 1,000 km from the Chadian capital N'Djamena, with his wife Fatima and his three lovely children. All three of their children had cataracts in their eyes due to congenital blindness. But as a poor farmer, Hussein was unable to afford the high costs of treating his children in hospital. He worked hard to earn enough to pay for his eldest daughter to be treated first, so that she could attend school like the other children in the village her age; unfortunately, he was not able to make enough.

But one day, he was told about the Alliance to Fight Avoidable Blindness. Founded by IsDB, the Alliance offers free treatment for those affected by cataracts. An estimated 253 million men, women and children worldwide suffer from visual impairments, 89% of whom live in low-income countries.

Blindness is a barrier to the social and economic inclusion of those affected: Hussein's children were unable to go to school and would struggle as they grew older to live independent lives. Instead, they would have to depend on the support of their family and become locked into a cycle of poverty, a life he simply did not want for his children.

Hussein began learning more about the Alliance and the impact of the campaigns that it had run. Then one day, he heard that a campaign had come to the neighboring Adri region, not far from where he lived. He hurried to visit it, as he was aware of the free treatment provided by IsDB to the poor and needy. He took all three children with him, and luckily, they received the treatment they needed.

All three children regained their sight and have now enrolled into school. Hussein and his wife cried with joy and thank Allah every day for recovering their children's eyesight and giving them a second chance at life. They are always grateful to the organizers of the campaign and those responsible for IsDB Group's involvement in the Alliance to Fight Avoidable Blindness.

IsDB launched the Alliance to Fight Avoidable Blindness in 2008 to address humanitarian situations affecting children like Hussein's. The Alliance is a regional initiative that relies on South-South cooperation mechanisms and a multi-pronged approach to the problem of blindness.

In its first phase, which ran from 2008 to 2015, the Alliance targeted eight countries: Benin, Burkina Faso, Chad, Djibouti, Cameroon, Guinea, Mali and Niger. The primary goal was to treat cataracts, which are the leading cause of blindness

in many countries where ophthalmologists are scarce, and people lack the skills needed to perform surgeries. The Alliance managed to achieve impressive results by coordinating the efforts of eye health non-governmental organizations, health ministries, training centers and donors.

During the first phase of the Alliance's work, IsDB gained valuable experience, forged important partnerships, built infrastructure and developed effective working practices to support cooperation in the fight against blindness. The goals set for the second phase of work, which began in 2018 and will run to 2022, are ambitious as the coalition aims to conduct about 100,000 surgeries to treat cataracts, examine nearly a million children and provide glasses for them if necessary, as well as establish at least six new treatment centers. It also plans to strengthen at least three regional training centers, train 90 eye care professionals, and provide 40 scholarships for specialization in ophthalmology and ophthalmic nursing.

To increase funding for the second phase of the Alliance's work, IsDB and the Islamic Solidarity Fund for Development organized a coordination meeting for existing Alliance partners in Istanbul, Turkey, in March 2018. Several new partners took part and the meeting was attended by more than 50 participants representing 32 partner institutions from 13 countries: Azerbaijan, Austria, Brazil, Egypt, Kuwait, Malaysia, Mali, Morocco, Libya, Palestine, Qatar, Saudi Arabia and Tunisia.

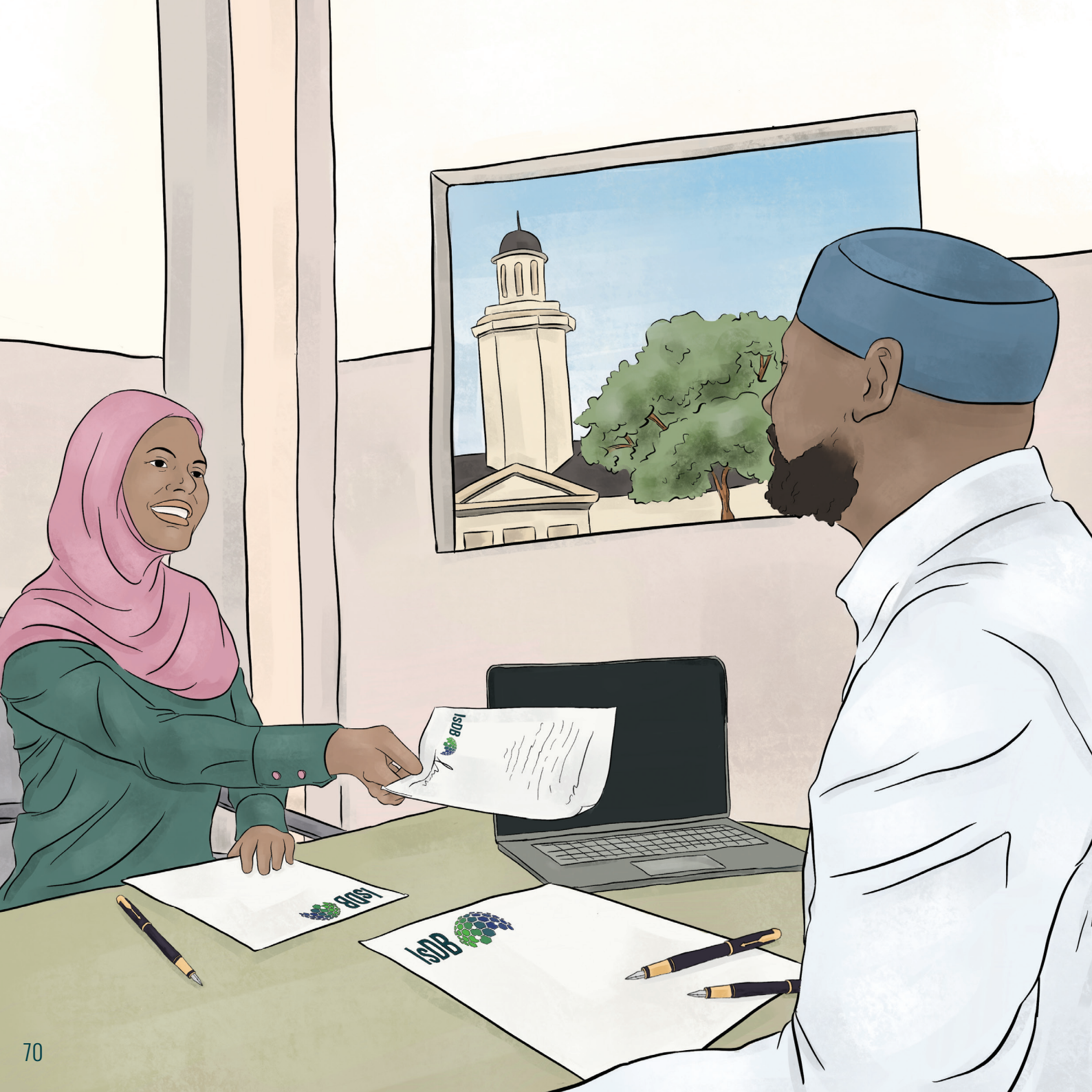
This meeting provided an opportunity to win the support of technical and financial partners. The Turkish government pledged to cover the costs of one million surgeries to treat cataracts and provide 10 million pairs of glasses for children. Its pledge encouraged other partners to contribute financially and in kind to support the Alliance's work program and, in total, the pledges amounted to around USD 250 million, which far exceeded the initial budget of the Alliance (USD 30 million).

Following this extraordinary meeting, IsDB and the Islamic Solidarity Fund for Development launched the second phase of the Alliance to Fight Avoidable Blindness during the 43<sup>rd</sup> annual meeting of IsDB Group held in Tunis in April 2018. Thirty-two partners signed up to the second phase in the presence of the President of IsDB Group and committed to providing financial and technical support. As agreed at the earlier meeting, the total signed pledges amounted to about USD 250 million.

“IsDB launched the Alliance to Fight Avoidable Blindness in 2008 to address humanitarian situations affecting children like Hussein's.”

10

CHAD





# The Imam Cried

WRITTEN BY **Suleiman Dalhatu Sani**

Founded in 1989, Trustbank is based in Suriname and has operated for many years on conventional banking principles. In 2015, Trustbank took the decision to transform from a conventional bank into a fully-fledged Islamic bank. Trustbank's Strategic Transformational Initiative focused on serving the identified but unmet need for finance options for small and medium-sized enterprises (SMEs) by offering alternative Islamic funding sources. It appointed the Islamic Corporation for the Development of the Private Sector (ICD), the private sector arm of the Islamic Development Bank (IsDB), as its advisor to guide the transformation process and ensure the successful launch of the new Islamic bank.

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Suriname



As the leader of the congregation, the imam stood on the podium in the mosque to deliver the Friday sermon. The worshippers sat on rows on prayer rugs and waited eagerly to hear his khutbah. “In the name of Allah, the most beneficent, the most merciful,” he slowly began. “Today’s sermon will be about riba, one of the seven deadly sins.” I sat up straight upon hearing this – having worked within Islamic finance for several years, the topic of riba was fascinating to me.

Riba, otherwise known as usury, is forbidden in Islam since it is considered unjust and exploitative. In the Quran, the sin of riba is considered so heinous that God pledges to make war on anyone who refuses to abandon it. Usury makes a nonsense of money, reducing its value by inflating debts. It takes money from the poor who are forced to borrow and gives it to the rich who can afford to lend.

On an international scale, usury has resulted in whole countries having to exploit their natural resources beyond the point where they can be replenished, in order to pay interest on their debts. Deforestation, intensive agriculture and degradation of the land parallel the sort of degradation and slavery forced on individuals by interest-bearing debt. I have personally witnessed the devastating impacts that interest-bearing debts can have, and have thus dedicated my career to finding alternatives to conventional banking, which thrives on an interest-based model.

In fact, one of the reasons I had come to Suriname with my team was to offer my expertise on Islamic finance to Trustbank (Suriname), a bank which had been operating on conventional banking principles but had decided to transform into a fully-fledged Islamic bank. Suriname is a small country on the northeastern coast of South America, with a small Muslim population of just under 14%. Trustbank’s decision to become sharia compliant was focused on serving the identified but unmet need for finance options for small and medium-sized enterprises (SMEs) by offering alternative funding sources.

Trustbank appointed the Islamic Corporation for the Development of the Private Sector (ICD), part of IsDB, as its advisor to guide its transformation process and ensure the successful launch of its new sharia-compliant products. As advisors, our role was to help Trustbank establish a sharia governance structure, set up a sharia supervisory board, designate a sharia review function, and convert its conventional loans into Islamic financing alternatives, amongst others within the bank.

Sharia guidelines and related documentation were developed to strengthen this function and full documentation was also produced for the new range of Islamic

products, including explanations of their structure and features, associated procedures, contracts and application forms. The bank opted for a proactive, immediate approach as opposed to phasing out its changes gradually. It organized an information fair to help its clients understand Islamic banking and the new products that it would now be offering.

I feel very grateful to have been a part of a project that transformed a conventional strategic financial institution into a bank operating on sound ethical foundations in line with Islamic banking principles. Islamic banking has proven stability compared with conventional banking thanks to its sustainable approach. The inclusion of an Islamic bank within the financial system of Suriname has diversified systemic stability risks and positively contributed to the country's economic stability.

The new Islamic bank now provides ethical financial products and services to the people of Suriname. It promotes financial inclusion to those previously excluded on religious or ethical grounds, with an emphasis on SMEs, which have been recognized as the engines of sustainable growth throughout global economies.

Suriname hopes to use Trustbank to help position itself as the financial hub for the Caribbean and Latin American region. The first Caribbean Islamic Finance Forum, organized jointly by ICD and Trustbank Amanah, was held in Suriname in November 2019. It focused on opportunities and challenges for the development of the private sector in Suriname, with a special focus on the role of technology, innovation and strategic partnerships.

According to the Islamic Financial Services Board, Trustbank's transformation was a truly inspiring milestone for the global Islamic finance industry as it officially established an Islamic banking footprint in all six habitable continents of the world. The success of the project was recognized in 2019 when Trustbank won the Excellence Award at the 5<sup>th</sup> Islamic Retail Banking Awards. ICD was able to successfully deliver this project by leveraging its knowledge resources in providing advisory services. This triumph has helped provide alternative financial products in Suriname that avoid the use of riba.

After the imam finished his sermon, my colleague went up to him and told him about the success of Trustbank and the work we were involved in. The imam was truly moved by the success of the bank's transformation and was pleased that IsDB had helped to make this possible. He raised his hands in prayer and thanked Allah that

**I feel very grateful to have been a part of a project that transformed a conventional strategic financial institution into a bank operating on sound ethical foundations in line with Islamic banking principles.**

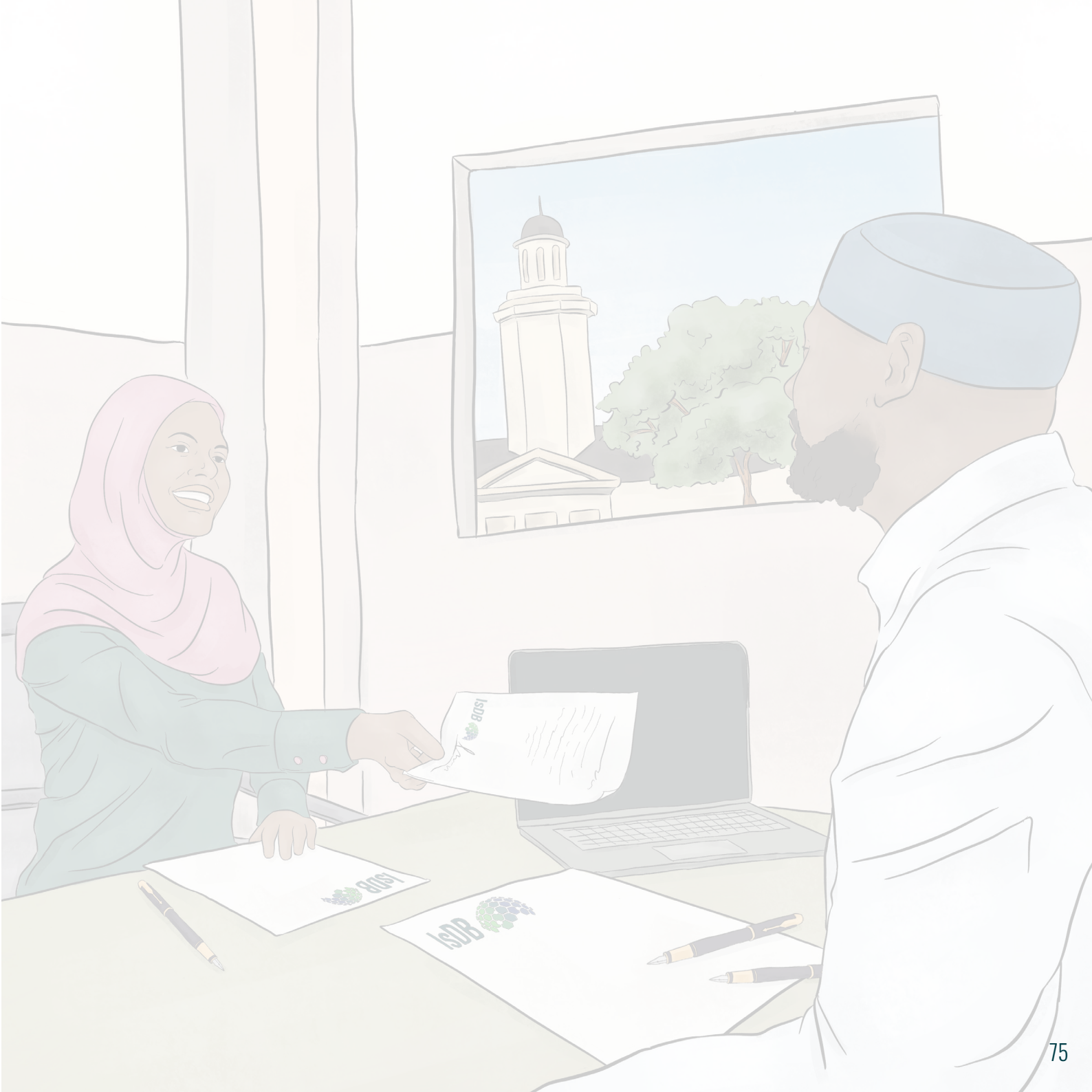
“**Suriname now had an Islamic bank of its own.**”

Suriname now had an Islamic bank of its own, a historic step towards saving the people of Suriname from the harmful bondage of riba.

Tears ran down his face as he explained that he had picked the topic of the sermon as he was concerned that the small Muslim population of Suriname would have no option but to engage in riba. However now, thanks to Trustbank's sharia-compliant products, with the help of IsDB, this was no longer the case. He promised to tell his entire congregation about the bank's transformation and expressed his gratitude once again before he left.

The memory of the imam's tears has stayed with me since. The memory of a chance encounter at a small mosque in Suriname motivates me during the countless challenges faced as an employee of IsDB, striving to deliver impactful development projects that transform the lives of humanity. The work of this benevolent bank sows seeds of inspiration in some of the most unexpected places, transforming the hearts of those who cross its path.









# The Fisherman's Boat

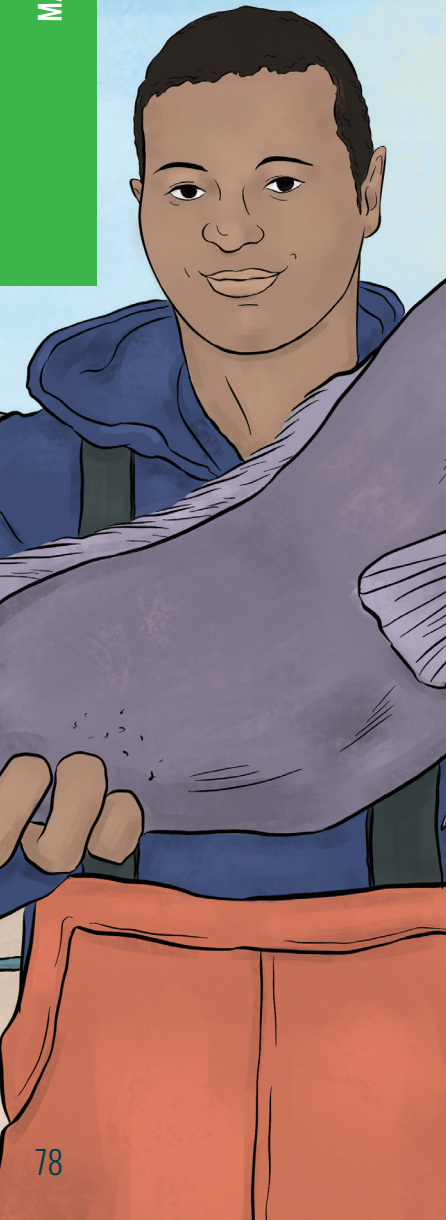
STORY OF **Ahmed Zain**

WRITTEN BY **M. Ataur Rahman Chowdhury** in association with  
**Abul Ehtesham Abdul Muhaimen and Ali Wasif**

Maldives Islamic Bank is the first and only sharia-compliant bank operating in the Maldives. The idea of establishing an Islamic bank in the Maldives was first conceived in early 2009 following the global financial crisis. The Islamic Corporation for the Development of the Private Sector (ICD), the private sector arm of the Islamic Development Bank (IsDB), worked with the Government of the Maldives to officially launch the Maldives Islamic Bank in 2011. From its humble beginnings, it has grown to become one of the most reputable banks in the country and is an active player in promoting the growth and development of Islamic finance in the Maldives.

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Maldives



My father always told me that an easy catch is never a valuable catch. Passion was instilled in me from an early age and ran through the blood of my ancestors, most of whom had been fishermen on the small island of Fares Maathodaa. From the age of 10, my father took me along with him on the riya dhoni, a traditional Maldivian boat that he captained, spending our weekends deep-sea fishing for tuna. I still remember the day he taught me how to fish. We spent the morning breathing in the salty air, watching the turquoise waves dance gently through the cool, serene waters. "Ahmed, pay attention," my father said as he knotted the line tightly to the hook and placed the rod into my small hands.

We would sit patiently on the wooden floor of our boat, eyes fully focused, until we saw the fishing line strain. Then we pulled with all our might, until we had caught whatever riches the ocean had decided to offer us that day. Around noon, we would moor the boat and walk over the beach, carrying the results of our blood, sweat and tears in straw baskets. The sand beneath our feet was scorching hot so we walked quickly, selling what we could to passers-by. Usually we managed to sell a large portion to the collector vessels that were around, and the rest to the island community.

In the Maldives, fishing is a seasonal activity with fisheries peaking from the beginning of the warm iruvai monsoon, which begins in late November and lasts until the end of April. It is during this time that schools of tuna start migrating through the oceans of the Maldives. But for the next six months, during the hulhangu monsoon, the catch is often low and sometimes not enough to recover the costs of the trip or to feed our families.

During these trying times, my father would tell me to always have sabr (patience) and that Allah would provide. "The absence of patience is the absence of faith, my son. You must trust the process for good things to come your way," he would say. I remember him giving me these life lessons as we walked home hand in hand; my small hand always protected by his larger, stronger one. We took whatever leftover fish we had home for dinner, and spent the evenings preparing it. I will always remember the sunsets that brought so much color into our lives. Myriads of bronze, magenta and pink glistening on the fish's scales as we grilled it over an open fire.

Soon I moved to Thinadoo, the capital of Gaafu Dhaalu Atoll, to complete my GCE O levels. I was encouraged by my father to gain qualifications, as he believed education would pave the way for a better life, although I continued fishing during weekends, holidays and whenever possible. My favorite memories of my childhood are mainly

that of my father, and the fishing trips I went on with my friends. We would compete to see who could catch the biggest fish, and I would always win. I had decided that I wanted to pursue a career that would allow me to give back to my community and to put into practice everything my father had taught me.

After my GCE O levels, I took a Niyami Course to become a certified navigator and joined a fishing crew on my island, turning my long-lived passion into a career. I spent four years captaining a boat for State Trading Organization, and another two years on a fishing vessel belonging to someone else. I was 24 years old and fishing for a livelihood when everything changed in the financial crisis of 2009.

Despite being the captain of a vessel, the money I took home was severely reduced. Since I was now the main income earner for my family, it became difficult to make ends meet. The amount and price of raw fish being bought by industrial collector vessels dropped dramatically due to a decline in exports to Europe and Asia. The fishing industry shrank by 22% due to a combination of decreased export demand, rising costs of fuel and shifting ocean currents. These were difficult times for all Maldivians as we endured a period of economic hardship and austerity.

During this time, it dawned on me that had I owned the vessel I captained, I would have been able to give a better return to my crew and take home a bigger share for my family. The only trouble was, I couldn't afford it. But I was determined to accomplish my dream and started saving little by little, not knowing if I would ever have enough.

One day, a fisherman at the port told me about an initiative that was helping local fishermen purchase their own vessels. The initiative was run by the Maldives Islamic Bank (MIB), a relatively new bank, which had been established following the global financial meltdown. The bank's core philosophy was to improve the livelihoods of everyday Maldivians like me, by providing financial support to enhance their socio-economic well-being. Importantly, the fisherman explained, it was the first sharia-compliant bank in the Maldives, launched by the Islamic Corporation for the Development of the Private Sector (ICD) – the private sector arm of IsDB, with the support of the Maldives government.

It sounded almost too good to be true. But I remembered my father's advice and put my trust in Allah and in 2016, I applied to the MIB's Vessel Financing Facility. I was overcome with joy when I learnt that my application had been approved, and I could receive financing to purchase my own fishing vessel. I chose a 75-foot modern

“One day, a fisherman at the port told me about an initiative that was helping local fishermen purchase their own vessels.”

12

MALDIVES

“ I am grateful to MIB, a sharia-compliant bank that conforms to the Islamic values and principles that I was raised with. ”

vessel named Gallery Mission, one of the most beautiful boats I had ever seen. It was cream colored with natural wood trimmings and a timber deck; a far cry from the humble Bokkurra boat I sailed on as a kid.

In 2019, I was even given the opportunity to upgrade the engine, so the vessel would be faster, cover a longer distance and have a quicker turnaround time. I now have a total of 28 crew members who are all employed under me. I pay them good salaries to provide for their young, growing families and ensure bonuses for those who are most dedicated. I was even able to sponsor two of my siblings to complete their bachelor's degrees and thus fulfill my father's dream for all his children to be educated.

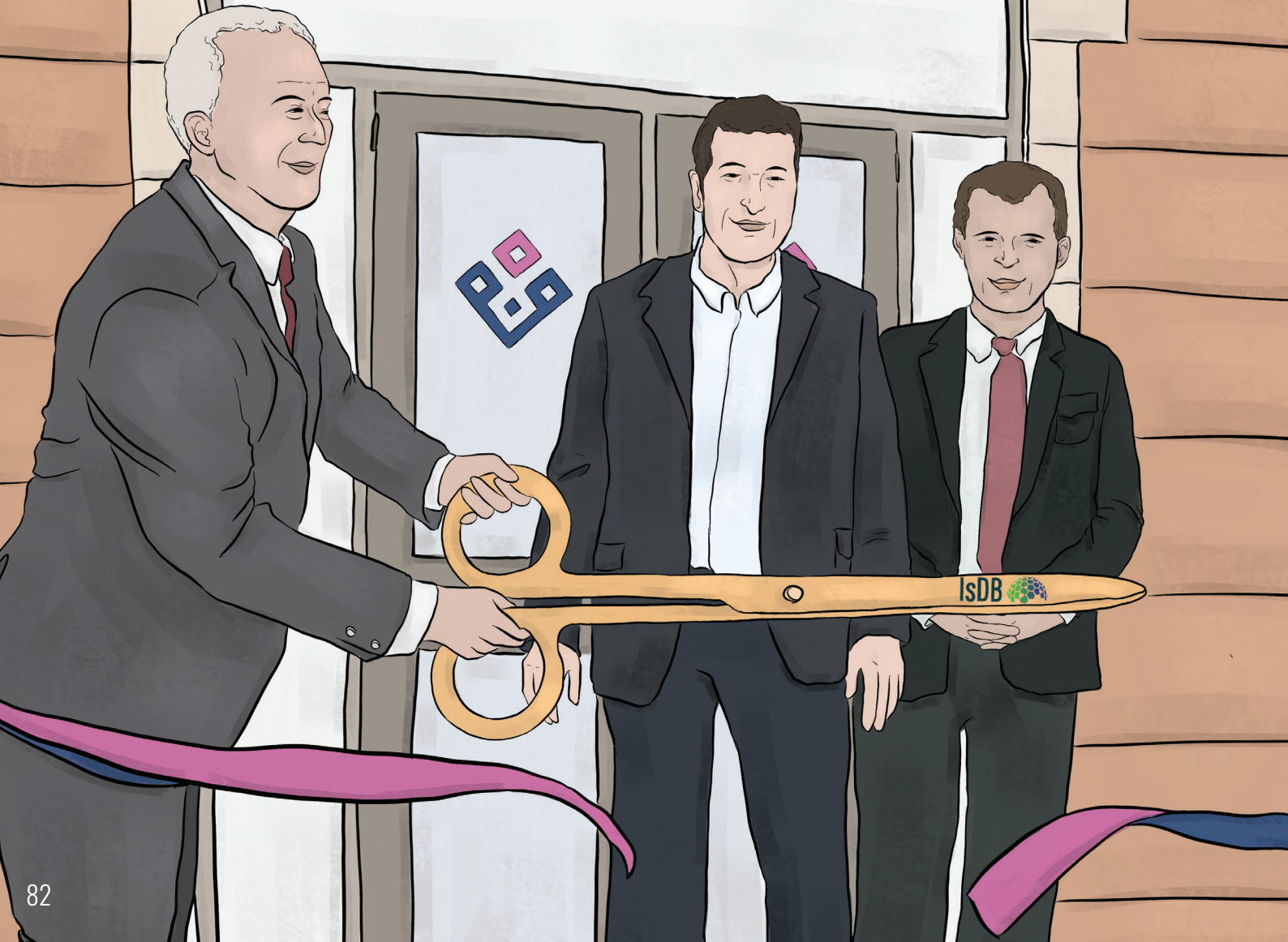
I am grateful to MIB, a sharia-compliant bank that conforms to the Islamic values and principles that I was raised with. No matter how much bait I used, I would never have been able to purchase or expand my vessel so extensively without the bank's help. Every now and then, when the Gallery Mission returns from a week-long fishing trip, I catch a glimpse of my father waiting at the shore, watching as my boat comes in.

I am overcome with pride and emotion thinking of how far I've come with my father's guidance; he was always the anchor in my life that kept me grounded. I learnt through him that although I cannot change the direction of the wind, I can always adjust my sails to reach my final destination.





# VAKIF KATILIM





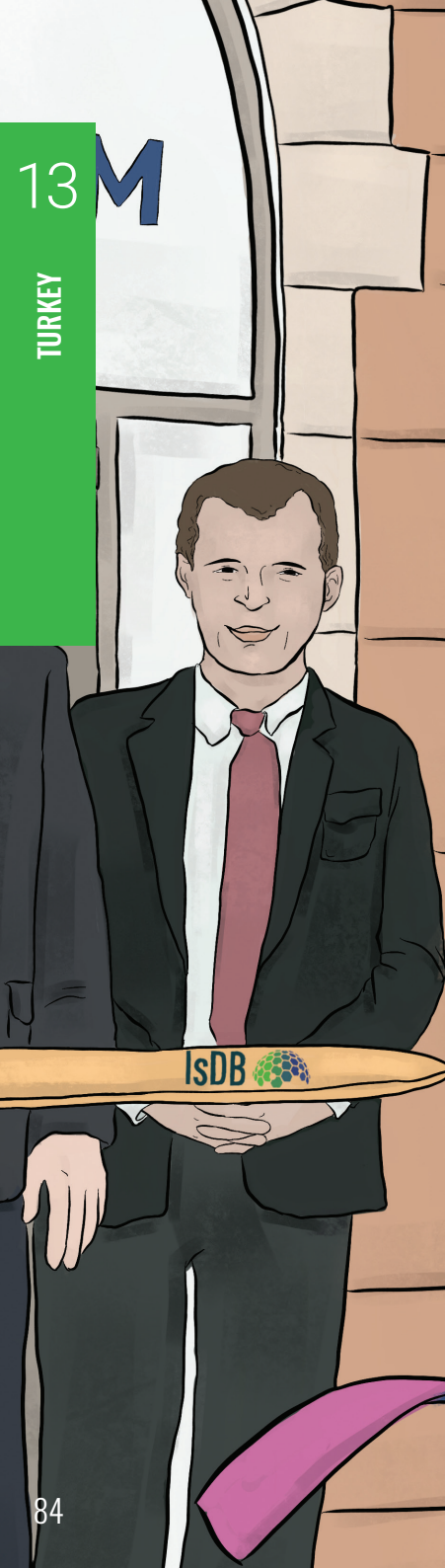
# Vakif Katilim Bank

WRITTEN BY **Ali Riza Kayar** in association with **Himmatilla Boriev**

To support charitable works based on Islamic principles, the General Directorate of Foundations (GDF) approached the Islamic Development Bank (IsDB) for assistance to launch Vakif Katilim Bank, a new Islamic bank in Turkey. As well as supporting Islamic banking, IsDB's intervention supported waqf initiatives, helping the GDF to achieve its objectives by channeling profits from the new bank into waqf activities. After just three years of operation, Vakif Katilim Bank's asset size represented 10.6% of the total Islamic banking assets in Turkey and in 2019, it was named the "Most Successful Participation Bank" in Turkey at the Second İstanbul Economy Summit.

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Turkey



Although Turkey has been using Islamic banking techniques since the early 1980s, the industry remains underdeveloped and conventional banks dominate the country's banking sector. Banks operating on Islamic principles in Turkey, known as "participation banks", are of limited size within the overall banking sector. This, coupled with participation banks' inability to aggressively inject additional capital into their operations to capture a larger share of the market, has hindered their performance.

In line with its mandate to support charitable works based on Islamic principles, GDF approached IsDB for assistance with launching a new Islamic bank in Turkey. As well as supporting Islamic banking, IsDB's intervention would also support waqf initiatives, helping GDF to achieve its objectives by channeling profits generated from the new bank into waqf activities. The new bank would also promote financial inclusion in Turkey by meeting the needs of people who prefer to bank only with Islamic institutions.

## Launching a new Islamic bank

To address any potential concerns about the source of equity for the new bank, IsDB provided a USD 300 million long-term facility to GDF, under the guarantee of the Government of Turkey, through an innovative sharia-compliant restricted mudaraba modality. IsDB was the Rab Al Maal (fund provider), providing the funds but restricting their use to a specific purpose – establishing the new Islamic bank. As the mudarib (the agent of IsDB in the transaction), and in line with the restricted mudaraba agreement, GDF invested the funds as the initial equity in its new bank, named Vakif Katilim (Vakif Participation) Bank.

The restricted mudaraba enabled IsDB to disburse the funds smoothly, making the whole amount available to GDF in 2015 in one operation. GDF then transferred the funding to the new bank as a capital injection. GDF leveraged its existing expertise in managing banking assets when setting up Vakif Katilim, drawing on its experience as a shareholder of another Islamic bank (Kuveyt Turk) and as the majority owner of a conventional bank (Vakif Bank).

When Vakif Katilim begins to pay dividends to GDF, IsDB's intervention will sustainably enhance GDF's waqf assets and the overall scope of its operations. GDF's non-profit activities target human and economic development and in 2018 it provided financial support to 5,000 orphans and people with disabilities, distributed

food packages to 20,315 families each month and served hot food each day to 2,000 people. Furthermore, in 2018, 26,000 food packages were delivered to families in need in Northern Cyprus, Bosnia and Herzegovina, Kosovo, and North Macedonia. GDF also provided scholarships to more than 20,000 students in Turkey and internationally; 202 waqf assets were renovated or restored to preserve and maintain these scholarships.

## Fueling economic development

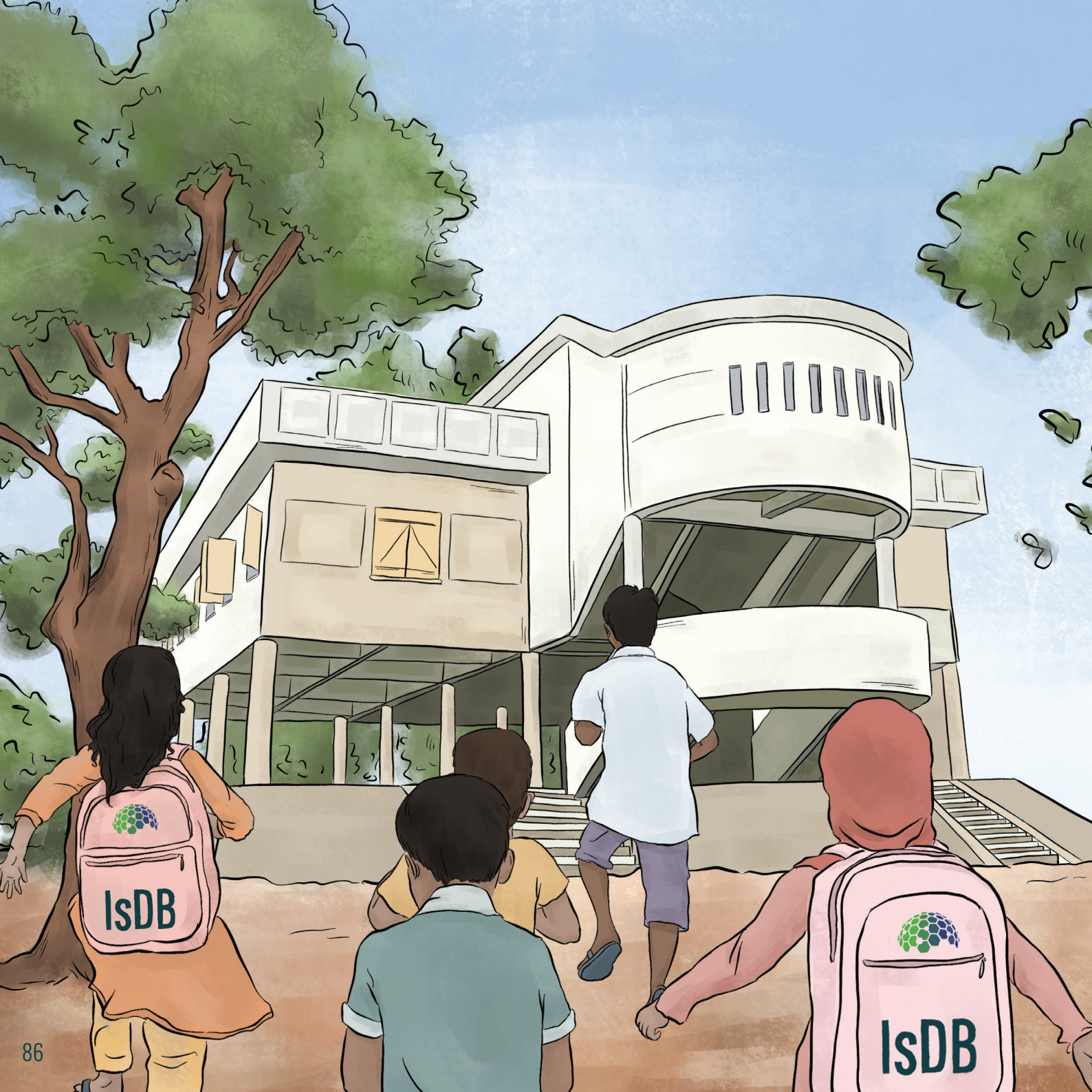
Vakif Katilim Bank officially began operating in 2016. By 2019, the bank had more than 1,300 employees and over 100 branches. Its assets amounted to USD 4.8 billion and it served more than 270,000 clients. After just three years of operation, Vakif Katilim Bank's asset size represented 10.6% of the total Islamic banking assets in Turkey in 2019. In terms of the indirect effects of IsDB's intervention, the bank regularly issues sukuk (a sharia-compliant bond) and contributes to the depth and range of Islamic finance products in Turkey.

Vakif Katilim Bank was named the "Most Successful Participation Bank" in Turkey at the Second İstanbul Economy Summit in 2019. In addition, it has established one of the few research and development centers in the banking sector in Turkey, with its future plans including public sector, university and industry collaboration, and support of FinTech and new technology companies. The bank has also launched a small-scale venture capital fund to support startups in Turkey, which has significant potential for spillover effects.

## Compatibility in partnerships key to success

Selecting a local partner with appropriate expertise and experience can create synergies and enhance a project's implementation and development impact when there is a good fit with IsDB core activities. This was the case with GDF, which brought with it a core strength in waqf operations. Flexibility and innovation in financing modalities to simultaneously accommodate clients' needs and meet IsDB's requirements also enhanced responsiveness and ensured smooth implementation.

**Vakif Katilim Bank was named the "Most Successful Participation Bank" in Turkey at the Second İstanbul Economy Summit in 2019.**





# A Shelter From The Storm

WRITTEN BY **Nijad Subei** in association with **Mohammed Simsim and Mohammed Javid**

In November 2007, Cyclone Sidr devastated the southwest coastal belt of Bangladesh. Heavy rain, a high storm surge and winds of up to 220 km per hour destroyed houses and caused extensive damage to crops, livestock and educational institutions. Transportation and communication networks, together with water and electricity supplies, were disrupted. At least 3,400 people died, and more than 55,000 people were injured. The Islamic Development Bank (IsDB) funded the building of sustainable and self-sufficient school-cum-cyclone shelters through the King Abdullah bin Abdulaziz Program for Charity Works to boost Bangladesh's resilience to natural disasters, while improving educational opportunities.

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Bangladesh



In November 2007, Cyclone Sidr devastated the south-west coastal belt of Bangladesh. Heavy rain, a high storm surge and winds of up to 220 km per hour destroyed houses and caused extensive damage to crop, livestock and educational institutions. Transportation and communication networks, together with water and electricity supplies, were disrupted. At least 3,400 people died, and more than 55,000 people were injured. Overall, approximately 1.2 million people were victims of this cyclone.

Because of its geographical location, Bangladesh has always been prone to natural disasters. Destructive cyclones, tidal surges and floods are regular phenomena, and populations living in coastal areas are repeatedly affected by these disasters. Huge numbers of people have no access to shelter during cyclones; their cattle die, and their farming equipment is ruined, but they still have to find a way to re-establish their lives.

The devastation caused by Cyclone Sidr was reported by international news channels and media. In response, an anonymous philanthropist (Fael Khair in Arabic), named after his death as the late King of the Kingdom of Saudi Arabia, Abdullah bin Abdul Aziz Al Saud, made a generous donation of USD 130 million for relief assistance to the victims of Cyclone Sidr in Bangladesh.

He entrusted the fund to IsDB for implementation through a new program known as the King Abdullah bin Abdulaziz Program for Charity Works (KAAP) “Fael Khair (FKP)”. The program was established to provide urgent relief to the victims of Cyclone Sidr and to fund the construction of durable shelters to protect the lives and essential belongings of people in the coastal belt areas of Bangladesh during similar disasters in the future.

A Memorandum of Understanding was signed between the Government of Bangladesh and IsDB in 2008. The major part of the donation (USD 110 million) was allocated for constructing, furnishing and equipping multi-purpose buildings known as schools-cum-cyclone shelters (SCCSs). The remaining USD 20 million was allocated to the victims of Cyclone Sidr, in the form of agricultural inputs and support to re-establish their lives, and to provide subsidies to partially meet the future maintenance costs of the cyclone shelters. An advisory committee was established to maintain high-level contact with the Government of Bangladesh and to advise on the implementation of the KAAP “FKP”.

Initially, a storm surge modeling study assessed the storm surge heights at potential locations for SCCS buildings. Storm surge levels over a period of 50 years were considered when selecting the type of building for each location.

Designs for the buildings were invited as part of an international architectural competition. Two designs were adopted based on their aesthetics and functionality. The first was the Killa type for buildings located on an elevated piece of land. This design is used in areas where the storm surge height is low (less than 1.6 m). The second design was the shelter-on-stilts type, which is used for buildings located in areas where the average storm surge height is over 1.6 m. In these buildings, the ground floor is open so that the storm surge can pass through without damaging the building, and the first floor is elevated at a level higher than the 50-year cyclone recurrence level. Both types of building can accommodate about 2,000 people along with 500 cattle.

International technical specifications and high standards were followed in the design and construction of these structures, which have an expected lifespan of at least 100 years. The robust infrastructures are designed to cope with wind speeds of up to 260 km per hour. High-strength concrete was used to build strong structures in the saline coastal belt and potable water was used to ensure the quality of the concrete and the durability of the shelters.

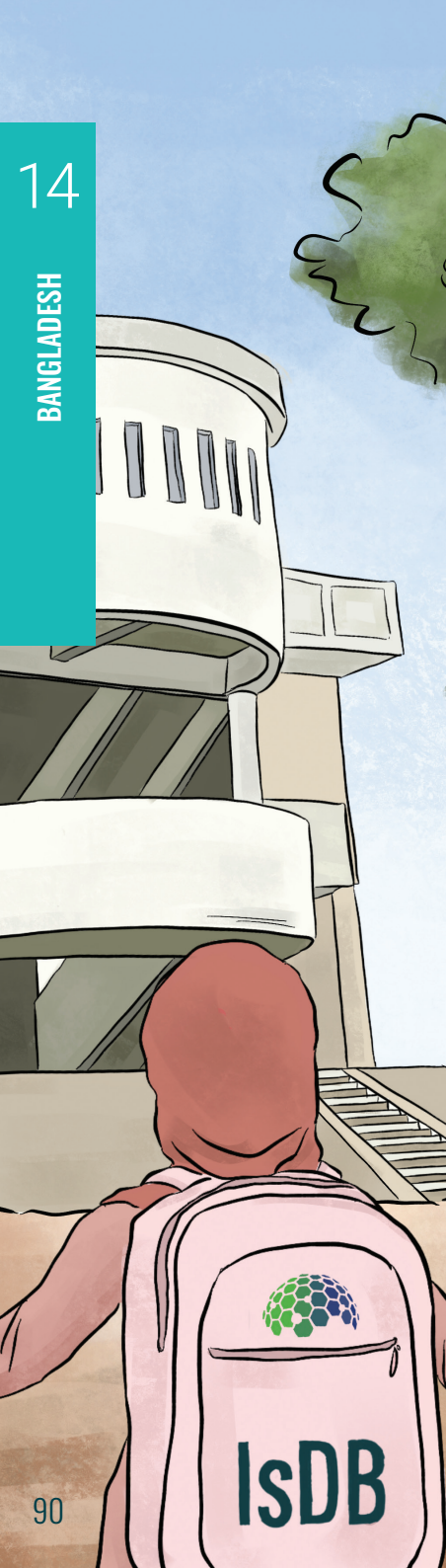
The structures have been designed to be well ventilated even if all the doors and windows are closed during storms. Furthermore, the SCCSs are green buildings, collecting their own potable water using a rainwater harvesting system and using solar power to generate enough electricity for basic lighting, ventilation and communications. During natural disasters, the national electricity network can be disrupted, and potable ground and surface water sources become unusable. In such circumstances, an KAAP “FKP” SCCS building will continue to provide for basic needs as a totally independent and self-sufficient unit.

Each building contains six standard-size classrooms and separate rooms for the headmaster and teachers, together with a sufficient number of washrooms for school use. Standard-size durable school furniture (benches, tables, chairs and storage) is also provided.

All SCCS buildings offer a separate space for cattle to be housed during a cyclone. This space is accessed by a gently sloping ramp, which can also be used by people in wheelchairs to access the shelter. One washroom has been specifically designed for people with disabilities. The buildings include separate spaces for storing emergency food and medical supplies and solar power equipment. A beacon light powered by solar power operates on the roof so that shelters remain visible during disasters, especially in heavy rain and at night, and all buildings have a black and white S-shaped tiled area on the roof to facilitate GIS/GPS/GTV mapping.

Stories of hope and smiles

“The program was established to provide urgent relief to the victims of Cyclone Sidr and to fund the construction of durable shelters to protect the lives and essential belongings of people in the coastal belt areas of Bangladesh during similar disasters in the future.”



The rehabilitation and livelihood part of the KAAP “FKP” for the cyclone victims took the form of small qard hasan (micro-credit) interventions, with no interest, fees or charges, to support agriculture, fisheries, livestock and other rural economic activities. Interventions also supported the delivery of training to help those affected re-establish their livelihoods, and to significantly raise agricultural production to alleviate poverty, and in turn contribute to the economic growth and development of Bangladesh. A similar approach has been used in subsequent natural calamities.

So far, about 343,900 people in 12 districts of the coastal belt have benefited from the Fael Khair qard hasan program. The allocated USD 20 million has been rolled over approximately 7.7 times, meaning that the total amount of microfinance loans extended has exceeded USD 154 million. On average, at the peak of the program, more than USD 1 million was granted each month by the three non-governmental organizations involved.

The KAAP “FKP”, in conjunction with Government of Bangladesh agencies, identified a number of locations throughout 13 coastal districts where multi-purpose buildings could act as shelters during natural disasters and as schools at other times. Within the budget available, 172 SCCSs have now been completed and handed over to their local communities in the coastal belt areas of Bangladesh. More than 35 of the SCCSs have since proven their effectiveness during Cyclones Mahasen, Roanu and Fani, providing shelter for people, their cattle and other belongings, including small vehicles.

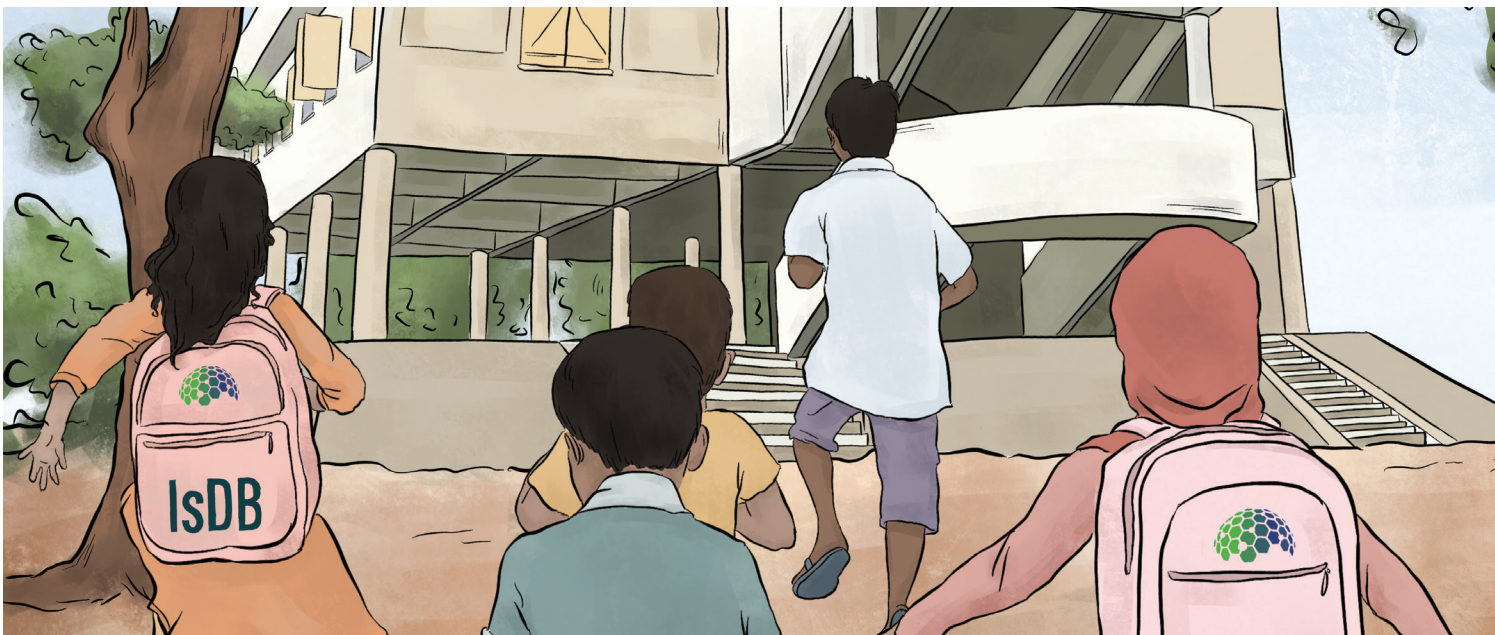
The Operations Evaluation Department of IsDB has evaluated the project, and reported very positively on its accomplishments, and on the quality of delivery. Moreover, due to the project’s remarkable success, the Government of Bangladesh asked the KAAP “FKP” to use savings made during the project to construct additional shelters in the three most deprived districts on the coastal belt of Bangladesh. After estimating the savings and future project costs, KAAP “FKP” has planned an additional 14 shelters, and preparations for construction are currently underway.

An impact evaluation by a specialized consultant demonstrated the success of the microfinance intervention. The analysis showed a significant positive impact on local populations affected by the cyclone, and the benefits of the adopted Islamic microfinance scheme in comparison with the traditional interest-based microfinance options widely available in Bangladesh.

To continue the program and assure its future sustainability, a separate institutional structure, the Fael Khair Waqf, has been registered under the Bangladesh Waqf Administration. A mutawalli committee has been constituted to ensure proper investment and oversee the utilization of this fund. To help defray the administrative costs of the rehabilitation program, part of the Fael Khair Waqf fund has been invested with Islamic banks (until a permanent investment waqf can be established).

The people of Bangladesh are very resilient. They only need a helping hand when their lives are devastated by natural disasters – and the KAAP “FKP” has provided that. The program has changed many lives and has improved the socio-economic landscape of the coastal belt of Bangladesh. The vision of the KAAP “FKP” is aligned with the United Nations Sustainable Development Goals – no poverty (SDG1), quality education (SDG4), decent work and economic growth (SDG8). With the cyclone shelters and the rehabilitation program, the Fael Khair’s dream has come true; far fewer lives are now lost and less property is destroyed during the annual monsoon season in Bangladesh, and the overall welfare of poor villagers in the coastal belt areas has been improved. This is the true spirit of Islam.

“The people of Bangladesh are very resilient. They only need a helping hand when their lives are devastated by natural disasters – and the KAAP “FKP” has provided that.”







# A Grassroots Network In Action

WRITTEN BY **Mohamed Ishtiaq Akbar** in association with **Syed Hassan Alsagoff** and **Ibrahim Ali Shoukry**

In 2008, the Government of Indonesia asked the Islamic Development Bank (IsDB) to support the country's poverty reduction efforts by joining PNPM-Mandiri, a community-driven development (CDD) program that was launched in 2006. IsDB joined the following year, seeking to reduce poverty in Indonesia through integrated CDD (ICDD) projects, where members of local communities – male, female, youth, the marginalized, the private sector, local administrators and civil servants – all played the role of developers, as part of a grassroots network and as active agents of change. CDD programs in Indonesia have empowered communities to engage in targeted infrastructure, helping to improve livelihoods and the local economy.

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Indonesia



Community-driven development (CDD) is essentially “an approach that gives control over planning decisions, implementation and investment resources to community groups and local governments”. In 2008, the Government of Indonesia requested that IsDB support the country’s poverty reduction efforts by joining one such CDD program, PNPM-Mandiri, launched in 2006. Thus, in 2009, IsDB’s journey for poverty reduction through CDD began in Indonesia through integrated CDD (ICDD) projects, where members of local communities – male, female, youth, the marginalized, the private sector, local administrators and civil servants – all played the role of developers, as part of a grassroots network and as active agents of change.

## Building community capacity

Based on the success of the ICDD Phase I and Phase II projects, IsDB, in partnership with the Islamic Solidarity Fund for Development (ISFD), continued to support the Indonesian government in reducing poverty through ICDD Phase III. The ICDD Phase III project was fully aligned with the government’s development plans and those of IsDB Group. It touched at the heart of IsDB’s 1440H Vision, which espouses comprehensive human development, and addressed multiple strategic thrusts including alleviating poverty, promoting health, providing universal education, bringing prosperity for the people and empowering women.

The project was designed to create an independent community that could work together with the government to improve lives. Community members were trained and helped to: decide on their priorities; plan and develop proposals; and implement activities, while also managing and monitoring progress. They worked in partnership with local government, facilitators, the Ministry of Public Works and Housing and project consultants.

### Coverage and scope

The project operated in 4,441 urban wards (kelurahan) in 99 districts across 13 provinces of western Indonesia (including all provinces in Sumatra, West Java, Banten, Jakarta and West Kalimantan). The male to female ratio was 1:1 and the poverty incidence varied from 9% to 40%. It was estimated that the project would directly benefit about one third of the total population in the kelurahan (approximately 17 million people, or 3.4 million households).

The goal of the ICDD Phase III project was to achieve sustainable improvement in the well-being of poorer communities through community empowerment. The scope consisted of providing block finance to cover developing community activities (be they physical, economic or social); building community institutions; generating knowledge and reverse linkages; and supporting project management.

### Resources

The total estimated cost of this project was USD 254.01 million, of which IsDB contributed USD 205.00 million (80.7%) through the IsDB Istisna'a, Istisna'a Jeddah Declaration, ISFD Loan and Service Ijara financing. The Government of Indonesia and the community financed the remaining portion. In terms of human and technical resources, the project management unit (PMU) at national level was mainly responsible for the management, coordination and monitoring of project activities.

The 13 provincial PMUs and 99 district PMUs were responsible for providing social, technical, economic and financial assistance to communities through empowerment and development activities, as well as supporting ground-level project management, supervision and monitoring. The 4,441 communities from the kelurahan were key resources in planning and implementation.

### Context of change

The grassroots approach of the ICDD model allowed communities to work together with local governments in the planning, implementation and monitoring of development projects in their locality. Community members became agents of positive change. This was an early, and continuing, example of mobilizing a network of developers for mainstream development operations.

### From beneficiaries to partners

Often, donor interventions are viewed as handouts. Communities are merely sidelined beneficiaries: the government decides what is required and communities sit back and wait to receive the benefits. While such programs may help reduce inequality through poverty alleviation, they can create a crutch mentality among recipients. However, under the ICDD model, the support provided to the communities helped them stand on their own feet. The communities, especially their committees and self-help groups, became partners in planning, implementation and management – all drivers of change.

“The project was designed to create an independent community that could work together with the government to improve lives.”



### **Independence and self-reliance**

To use a fish and fishing rod analogy, in ICDD Phase III, community members decided they wanted to be fishers to improve their lives. They were given capacity building on how to fish, and partial funds to buy the fishing rod. They bought the rod, caught and sold the fish themselves, and then shared benefits with the entire community.

Following a few cycles of community funding of this kind, under ICDD Phase III, the community contribution could, in some cases, match the project funding for a particular activity. The microfinance or revolving fund beneficiaries, mainly women, became independent and job creators within their own microenterprises.

### **Stronger community participation and ownership**

Given the opportunity to play an active role in their development, communities embraced the idea that they could make a positive change to their lives and the lives of their neighbors. The people took this opportunity seriously and worked together to ensure that the village development plan, which they had agreed on, was implemented to a high standard and in a timely manner. There was therefore a strong sense of ownership in the community. The communities exuded positive pride in their achievements, and in the fact that they have been an integral part of the improvement.

### **Closer partnership between local government and the community**

The community empowerment model introduced greater transparency and accountability, as well as a bottom-up, consultative planning approach in Indonesia that allowed for more targeted, relevant development interventions. Given the strong emphasis on full disclosure of all accounts and activities, the community trusted the project, as well as the local government. The local and federal governments also realized the strengths of the program and the power of the community. As a result, they initiated a dialogue with the community on how they could improve their districts, while also allocating more funds to complement the IsDB financing. This has led to a significant increase in government contribution of about USD 49 million – 23% of the financing provided by IsDB.

### **Improved sustainability**

The project provided infrastructure and skills. From this foundation, communities created partnerships with the private sector, non-governmental organizations and local government institutions to develop similar self-help programs. For example, communities approached local governments to finance house upgrading for

dilapidated houses and approached non-governmental organizations for healthcare and education for the poor. The communities also took it upon themselves to maintain and service the various infrastructure assets.

## Improving lives and livelihoods

### **Better achievement of poverty alleviation**

Based on baseline survey data collected in IsDB project locations, the average number of poor households from the 273 villages sampled was 25.7% in 2013. During the preliminary impact survey, this number was reduced to 21.6%. Hence, there was a 4% reduction in poverty over the three-year period (2013 to 2016). Compared to national poverty rates, ICDD locations showed better poverty reduction. Based on the preliminary impact evaluation, the poverty rate in 2016 was 10.86% – 0.62% lower than that of 2013, which was 11.37%.

### **Better quality and cheaper construction**

The number of infrastructure projects in poorer areas increased from 25% to 42%. More than 60% were rated as good quality, and the figure rises to 95% if infrastructure assets rated as satisfactory are included. The cost of construction was also significantly less than if it were done through commercial contractors, since the community and self-help groups contributed labor, and materials to support the activities at cost.

### **Good management of revolving funds**

Block investments for economic activities through revolving funds were sustainable, with about 40.5% demonstrating more than 90% repayment rates. That figure increases to 60% for funds with repayment rates of more than 80%. This is impressive considering that they were managed by communities that had no previous experience in microfinance. Communities used management information systems to ensure accurate accounting of these revolving funds.

### **Increased livelihood enhancement activities**

More than 215,000 self-help groups started economic livelihood activities. This represents about 43% of all self-help groups under the project, up from 23.37% (the baseline). Of these, 25% of businesses have started to market their products outside the village.

“The project provided infrastructure and skills. From this foundation, communities created partnerships with the private sector, non-governmental organizations and local government institutions to develop similar self-help programs.”



### **Good financial performance at pilot business development centers**

Of the 15 pilot business development centers established under the project, 12 reported good financial performance. Innovative products were chosen based on their comparative advantage, and the business development centers acted as traders to help the self-help groups market these products outside their villages. The centers have been successful at marketing the products nationally and, in some cases, products have been sold to neighboring Malaysia and Singapore.

### **Mainstreaming of ICDD successes nationally and replication internationally**

The IsDB-funded livelihood enhancement program has been replicated by the Indonesian government in PNPM-Mandiri locations funded by the World Bank. It has inspired similar ICDD interventions supported by IsDB in Gambia and Sierra Leone, as well as provided the basis for ISFD's flagship Sustainable Villages Program. The Government of Indonesia has also become a hub for best practices of community-driven development, and IsDB has facilitated learning exchanges with delegations from Sierra Leone, Gambia, Sudan, Uganda and Côte d'Ivoire. There is great potential for this grassroots development model to be further transposed, with customization and reverse linkages, to other IsDB member countries.

## **Encouraging self-reliance key to success**

Community involvement and trust were essential to the success of the program. The government engaged the communities at all stages of the project, and genuinely considered their inputs. Furthermore, accountability and good governance (such as weekly public disclosure by the committees and complaint-handling systems) enabled trust and motivated the communities to do and provide more.

Capacity development through continuous training given to the communities, as well as technical support (e.g. for construction and business development) helped to develop better change agents.

Expanding economic activities enhanced community empowerment – through developing a social support structure of village committees and self-help groups. While infrastructure activities facilitated access, income-generating activities were very important for long-term sustainability.

Enhancing outreach to the poor and women, including their involvement in community meetings, was essential for achieving equitable participation. Most economic self-help groups were also formed by less impoverished women who had some expertise in producing some products (e.g. handicrafts, foodstuff).

Efficiency was improved by introducing information technology. This enabled communities themselves to report their activities via a computer, freeing up much needed time for the facilitator. A management information system was also introduced to enhance the accounting and reporting of the revolving funds.

Business development centers supported the 215,000 small businesses started by the project. Without any support in marketing, these businesses were likely to struggle and remain small.

The process of enabling communities to become a network of developers has led Indonesia to become the global expert in CDD and community empowerment. The country has become a laboratory for pilot activities facilitating partnerships between public and private stakeholders with the community not as mere beneficiaries, but as agents of change.

“There is great potential for this grassroots development model to be further transposed, with customization and reverse linkages, to other IsDB member countries.”







# A Holy Sacrifice

STORY OF **Mamadou Togo**

WRITTEN BY **Mohamed Ali Laswad**

Managed by the Islamic Development Bank (IsDB), Saudi Arabia's Project for Utilization of Hady and Adahi oversees the supervision of animal sacrifice during Hajj, the Islamic pilgrimage to Mecca. The meat obtained is handed directly to poor families and given to charitable waqfs, which distribute over 2,000 cooked meals a day. Large refrigerators made available by the Government of the Custodian of the Two Holy Mosques are used to store the meat before it undergoes a rigorous safety and hygiene process. Since the project launched, meat from over 22 million sacrificed animals has been distributed to some of the neediest families around the world.

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**Mali**



As a young boy growing up in Bamako, Mali's capital and largest city, I always looked forward to Eid ul Adha, one of the most important festivals in the Muslim calendar. I vividly remember the details of the story my mother would narrate of the Prophet Ibrahim, as my siblings and I curled up beside her at night. As it happens, Prophet Ibrahim had a dream one night in which he was ordered to sacrifice his beloved son Ismail as an act of obedience to God.

At first, Ibrahim was skeptical and believed it was the trickery of the cursed devil, but after experiencing the same dream the following night, he understood it was a command from Allah. Although he loved his son dearly, Ibrahim prepared Ismail for the sacrifice and set off to honor his duty, thus proving his complete submission to Allah.

Ibrahim took his son to the Mina Valley, carrying a knife and a rope in his hands. He told Ismail of his dream and made him aware that Allah had decreed for him to be a sacrifice, and in obedience, his son accepted what was commanded of him. Ismail asked that his hands and legs be tied to prevent him struggling during the sacrifice and that his father should blindfold himself to avoid witnessing the suffering of his son. Ismail was aware of his father's love for him and knew that it would be difficult for him to witness.

As Ibrahim began to carry out the sacrifice, Allah replaced Ismail with a ram and Ismail was left unharmed. Allah had tested Ibrahim to see his dedication in his submission to the Lord and in his willingness to oblige, Ibrahim successfully passed the test. I remember feeling both a sense of dread and relief as my mother narrated the story, and I was glad that young Ismail was spared. Nonetheless, I would incessantly ask my mother to repeat the story as I loved it so much. "Again, Mamadou?" she would say, rolling her eyes as I giggled and nodded.

The best part of the story is that, to commemorate Ibrahim's obedience to Allah, every year Muslims around the world sacrifice an animal to confirm our own willingness to sacrifice whatever Allah asks of us. As a poor family living in a small, mud-walled shack on the banks of the Niger River, we never had enough to sacrifice and relied on the generosity of our neighbors, who would share their sacrifice with us.

This was part of the rules of the sacrifice, as the meat from the animal should be distributed equally in three parts, with each given to family, friends and the poor. Since we belonged to the third category and couldn't afford to eat meat regularly, Eid ul Adha was my favorite festival and I eagerly looked forward to it every year.

The sacrifice, referred to as qurbani in Arabic, takes place during the last days of Dhul Hijjah, the twelfth month of the Islamic calendar, which is also the month of pilgrimage. The pilgrimage of Hajj is one of the five compulsory pillars of Islam and it is my dream to one day complete it. Most families in my village share this dream but most simply cannot afford it. Nonetheless, we pray that Allah grants our wishes one day, and we can join the millions of Muslims who come from around the world to visit the Kaaba – the House of Allah – in the sacred city of Makkah.

I have been saving up for this trip of a lifetime since I started working as a taxi driver, sacrificing long hours every day, driving my car around the dusty streets of Bamako. It can be a difficult job, especially in the scorching summer heat, but I enjoy meeting lots of different people. One day, I had the pleasure of receiving some special guests from the sacred city itself.

I picked up Mohamed Lassoued and his colleague Abadil from the airport on a hot summer afternoon. As I drove past the colorful markets along the streets, my guests informed me that they were from IsDB and had come to oversee the distribution of Hady and Adahi (sacrificial meat) to vulnerable people in Mali.

I was overcome with excitement as I listened to their first-hand accounts of the sacrifice that had already taken place in Saudi Arabia; a plane loaded with 2,500 slaughtered sheep was to arrive from Jeddah in the next two days. On our way to the hotel, we passed spacious yards where people had gathered for Eid prayers. As worshippers started to form a line, we decided to join them.

After prayers, one of the imams went up to a sheep that was tied under a tree and slaughtered it. Mohamed seemed impressed and asked me the reason for this. "By doing this, the Imam encourages the worshippers to make their own sacrifices following the sunnah of the Prophet, may Allah grant him peace," I said. After taking a break at the hotel, we went for a walk and I took my guests around the streets of the capital. There were huge crowds of people, young and old, men and women, celebrating. They all wore new clothes and exchanged greetings of "Sampi, Sampi!", which means "Happy Eid!"

The next morning, I drove Mohamed and Abadil to a meeting with officials from nine municipalities and representatives of civil protection, veterinary services, the media and social affairs, among others. All those in attendance wished each other Eid Mubarak and praised IsDB for its work. Mohamed and Abadil briefed the room on

“My guests informed me that they were from IsDB and had come to oversee the distribution of Hady and Adahi (sacrificial meat) to vulnerable people in Mali.”

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MALI



the processes involved with meat distribution, and together they decided how best to distribute the meat to the poor of Bamako and its neighboring villages.

Two days later, the cargo plane arrived, and veterinarians examined random samples of the meat. When they had finished their work, they declared that the distribution could begin. According to the plan that had been agreed, large and medium-sized trucks began loading the meat. One truck went to the maternity hospital, another to the civil prison, and another to the Great Mosque, where groups of people in need had gathered. Other trucks were dispatched to shelters for the elderly, orphanages and slums in all nine municipalities of the capital and its neighboring villages.

I accompanied Mohamed and Abadil to monitor the distribution of the sacrifices and took photos of the deliveries. Mali TV, a local station, had anticipated the arrival of the shipment and made a documentary about the distribution, capturing the action moment by moment. It was a joy to see my people receive their share of the sacrificial meat that had been slaughtered in the holy land, which we all hoped to visit one day.

The distribution had been a success and as the day drew to an end, I dropped my guests off at their hotel. In the lobby, we saw the TV broadcasting the distribution of the meat shipments. The large screen showed an elderly man receiving his share with joy and happiness, while a woman raised her hands in prayer. We watched as a weak, old man received his meat but as he was unable to carry it, a young man rushed to help, carrying the bags back to the man's house. We felt so happy to be part of this noble work. Mohamed turned to me and gave me my own share of meat, which I received gratefully. Later, I shared it with my family as we honored the sacrifice of the Prophet Ibrahim.







# Moving Mountains

WRITTEN BY **Mohamed Abd Raboh Saleh**

The Islamic Development Bank (IsDB) financed the reconstruction of the Aqaba Surrah Mukayris, a notorious mountain road in the Republic of Yemen. For over 140 years, this road restricted the lives of people living in 300 villages in the southern and northern governorates of Yemen. At a height of 7,900 feet above sea level, the road was only 20 km long but was the only one that linked the Lauder district to the Mukayris directorate, forcing travelers to cover 680 km if they wished to cross to avoid the dangers that it posed. The reconstruction has enabled villagers across the region to move safely and freely to access education, healthcare and better employment opportunities.

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Yemen



“One, two, three! The mountains are free. When will we be as tall as the mountains that are free?” I remember chanting this rhyme as I stumbled along the rocky roads, strewn with sharp rubble in the mountainous region of Al Bayda, south-east of Yemen. My yellow school bag sat uncomfortably on my back as I set off early in the mornings to make the strenuous three-hour journey to school, with a makeshift staff in one hand to assist me. Only singing and keeping company with friends could make such a difficult trek bearable.

My friends and I would playfully poke at each other with our staffs, which we nicknamed “Musa’s staff”, after the Prophet Musa who was able to perform miracles using his. We prayed that one day our journey to school would be made easier, and that Allah would pave for us a successful life ahead. After all, mountains can be moved, and we believed in the impossible. We were young boys determined to reach heights unknown to others living in our small, remote village.

When we finally reached the notorious Aqabah, a dangerous mountain road, our chanting would stop. We would curiously peer down at the brittle path, tempted to shorten our journey, and lessen the painful cuts and grazes that our feet endured along our typical route. The only road that connected our district to the Mukayris district was a mere 20 km long but it was a plague that we all avoided. Instead those who were able to would cover the 680 km of rough terrain in order to escape the deadly perils of Aqabah.

Many people avoided the damaged road altogether. In my village, there were children who suffered from ophthalmia, an inflammation of the eyes, but since it was too dangerous to get to the hospital by the Aqabah road, many ended up losing their eyesight instead.

I wondered every day how one road could impact the lives of thousands scattered over 300 villages in the region. How one road could destroy the chances of so many. We prayed for those before us who, for over 140 years, were unable to access schools, hospitals and markets. Those who were physically impaired, those who were living in dire poverty, and those who had lost loved ones to the deadly Aqabah. We also prayed desperately for a solution.

Our prayers were finally answered years later, when news reached the region that IsDB would help to rebuild the road. Everyone was skeptical at first; indeed, the Bank was setting out to do the impossible. If the British and others were unable to repair the damaged Aqabah, how could a project funded by IsDB repair the irreparable?

But we were told that IsDB had already successfully built eight roads: Aden Bab Al-Mandab Road, Al-Makha Road, Hajjah Al-Khashm Road, Al-Sharq Al-Daleel Road, Atmah Road and Al-Thuluth Souq Road. Upon learning this, hope returned to people's hearts and we waited eagerly to see if the road would finally be fixed. This was perhaps the Bank's most ambitious project yet.

IsDB proved to be the cure for a people who had been suffering for many years. Upon completion of the project, villagers flocked from every region to witness the miraculously repaired Aqabah. By that time, I was no longer living in the region, but encouraged by family and friends, I too attended the celebration. Neighbors rejoiced, and slaughtered sheep in joy and gratitude.

Colorful laughter painted the gathering and it felt as though Eid had arrived early. The lifeblood of the region had been restored. Instead of cracked potholes and broken rubble, the Aqabah wore a new costume: a line of asphalt had appeared, its edges decorated with yellow lines and a white line running down the middle. I stood among the raucous crowd, with a smile plastered on my face, and thanked Allah for paving the way ahead; indeed, only he was capable of moving mountains.

The deadly Aqabah became known as the "Aqabah of Unity" a functioning road that now allowed the smooth and safe movement of residents. It enabled students to continue their education, farmers to market their crops, and villagers to access healthcare services. This is what made people raise their voices in praise and offer prayers to Allah to reward all those who had contributed to the transformation of the Aqabah.

Years later, as fate would have it, I was employed by IsDB as an engineer. One day shortly after I joined, I came across a model of the Aqabah project on the first floor of the IsDB building in Jeddah, Saudi Arabia. As I looked at the map of familiar regions, tracing my memory, a colleague nearby asked if I was from Yemen.

"Yes," I replied, "From Al Bayda in fact." He smiled and introduced himself as Mahmoud Khaled. While we stood before the model, Mahmoud told me that he had been involved with repairing the Aqabah road, which he considered to be one of the Bank's most important development projects. As he shared the difficulties he had personally encountered during the work, I was reminded of my own first-hand experience.

“Upon completion of the project, villagers flocked from every region to witness the miraculously repaired Aqabah.”

During my time at IsDB, I have witnessed the execution of many successful projects that aim to benefit our member countries around the world. But the project I will always be most proud of is the reconstruction of the Aqabah, a deadly mountain road near my small hometown of Al Bayda, south-east of Yemen. Walking past the Aqabah project model every day is not only a reminder that I belong to such a prestigious institution, but of how far I've come and the heights that I've climbed.









# Express Train To Prosperity

WRITTEN BY **Mouchili Mayoua** in association with **Saliou Lo**

Dakar, the capital of Senegal, faces a transportation crisis. The number of motor vehicles in the city is growing at a rate of over 8% per year. Only 10% of the population in Dakar owns a car while 76% of the population use some form of mass transit, facing regular traffic congestion and a poor-quality service. The Islamic Development Bank (IsDB) contributed EUR 300 million towards a new mass transit system, replacing the old railway line and constructing pedestrian foot bridges and road bridges for traffic to link both sides of the railway corridor. The new mass transit system has improved the lives of thousands of Dakar's commuters, while reducing transport pollution and creating new jobs.

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Senegal



Dakar is the political, economic and cultural capital of the Republic of Senegal and is home to four million people, who make up a quarter of Senegal's population. This paradox of 25% of the Senegalese population living on just 0.28% of the national territory results in high pressure on land occupation, high costs of housing, a concentration of all services and activities (port, business, banking, administration) in a small area, and major transportation problems – all of which impact negatively on the country's economy.

Specifically, Dakar faces a transportation crisis. The number of motor vehicles in the city is growing at a rate of over 8% per year. Although only 10% of the population in Dakar owns a car, these people occupy the majority of the city's scarce road space, while the 76% of the population that uses some form of mass transit faces worsening traffic congestion and a poor-quality service.

Every morning, thousands of people commute from the city's suburbs and surrounding area to downtown Dakar, where most economic activities are concentrated. A reverse movement happens in the evening. Consequently, each year, hundreds of thousands of hours of economic productivity are lost and cases of severe respiratory illness increase steadily. Demand for transport is very high and exceeds the capacity of the transport infrastructure and services.

Dakar's density makes it well suited to a middle-distance mass transit system. The Government of Senegal has therefore made improving public transportation in the Dakar metropolitan area a priority and has initiated two large projects: the Regional Express Train (TER) and a bus rapid transit (BRT) system.

The BRT system will allow modern, high-capacity buses running in a reserved lane. It will pass through 14 municipalities on the west side of Dakar and aims to transport 300,000 passengers per day and reduce travel time from 95 minutes to 45 minutes.

On the east side of the city, considering the number of people to be served and the distances to cover, a fast, efficient train system – the TER – is being established. The TER and BRT projects will be connected by new bus services linking the stations to allow the population quick access to these new modes of transport.

The TER project comprises a railway link between downtown Dakar and the new urban center of Diamniadio – a distance of 36 km (Phase I). In future, the project will also

link to the Blaise Diagne International Airport, a distance of 19 km (Phase II). Existing rail facilities are being replaced with four tracks: two electrified standard gauge tracks dedicated to passenger transport, which will replace the current train service; a metric track for freight; and a strip of land reserved for developing a maintenance and service track, which could be used in future to construct a fourth track.

In addition, the project is building railway infrastructure (bridges, platforms, earthworks, maintenance facilities for rolling stock, etc.) and electrical systems (power, signals, telecommunication, ticketing, etc.) and constructing or renovating 14 railway stations.

IsDB contributed EUR 300 million to Phase I of the TER project. This funding has supported replacing the old railway line and the construction of pedestrian foot bridges and road bridges for traffic to link both sides of the railway corridor.

Phase I of the project has achieved its goals and changed the Dakar landscape: once testing is complete, the new trains will reduce travel time between downtown Dakar and Diamniadio from 1.5 hours (2015) to 0.5 hours. With six trains per hour (one train every 10 minutes) and a top speed of 160 km per hour, transporting 115,000 passengers a day in safe, comfortable conditions, the TER is a mass transport system that meets international standards in terms of urban mobility. Phase I of the TER project will serve 13 stations and stops between Dakar and Diamniadio. The 14th station – at Blaise Diagne International Airport – will be operational at the end of Phase II.

The TER project also achieves socio-economic profitability. Completed socio-economic studies have shown that Phase I alone achieves an internal rate of return of between 11.9% and 14.9%. The individual stations will help revitalize their locations, promoting the emergence of related economic activities around the TER.

The development of the Regional Express Train middle-distance mass transit system has improved the lives of thousands of Dakar's commuters, while reducing transport pollution and creating jobs. The project has helped create new trades and vocations in the railway industry, and approximately 3,000 young Senegalese have been recruited during the construction and operation phases. People appreciate the changes the project has made to their life in terms of the quality of infrastructure, transport options, time saving and business opportunities.

“The development of the Regional Express Train middle-distance mass transit system has improved the lives of thousands of Dakar's commuters, while reducing transport pollution and creating jobs.”

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SENEGAL

“The success of the TER project is the result of close collaboration and partnership.”

Finally, the TER is an electric train, meaning it is less polluting, quieter and cheaper to run. It contributes five times less pollution than cars and will help reduce air pollution in Dakar by an estimated 17,000 tons of carbon dioxide each year.

The success of the TER project is the result of close collaboration and partnership between Senegal's partners, including IsDB, the Government of France, the French Development Agency and the African Development Bank (AfDB). IsDB has already committed to supporting the financing of Phase II of the TER project to connect with Blaise Diagne International Airport.

The TER has been a landmark project for the Senegal urban transport sector and has attracted a high-profile visit from the President of the Republic of Senegal, Macky Sall, and the presidents of IsDB and the AfDB. During this visit, the President, Macky Sall, declared, “This is my legacy for future generations.”









# Where The Water Flows

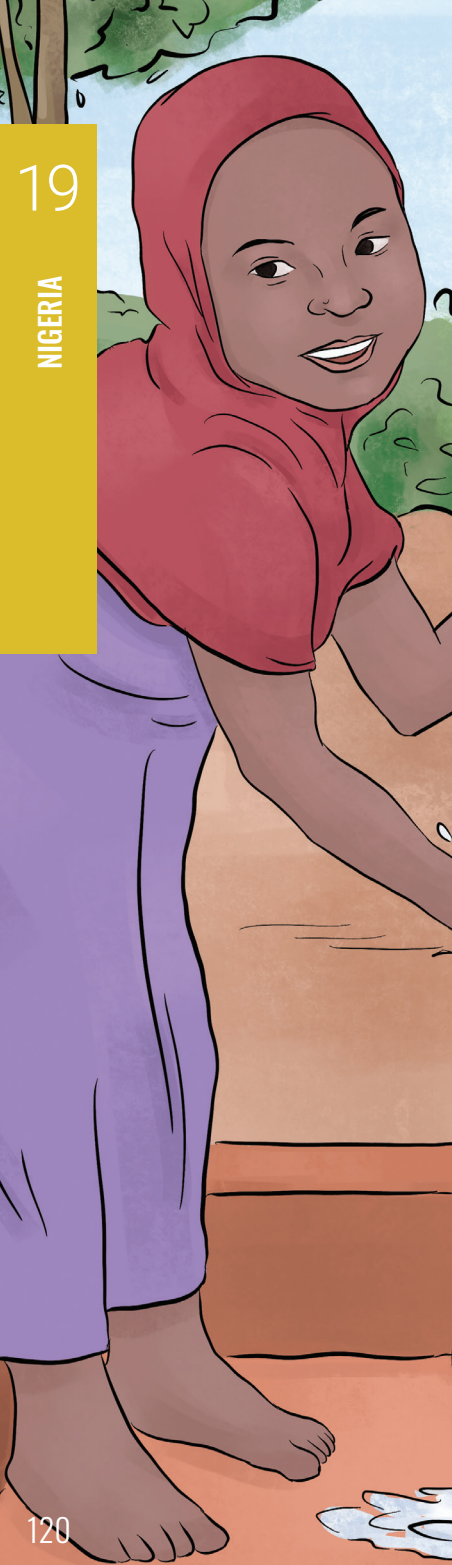
STORY OF **Sanusi Maikudi**

WRITTEN BY **Mamoud Sheikh Kamara** in association with **Nasser Mohammed Yakubu, Mayoro Niang, Idrissa Dia and Sohail Mitha**

Northern Nigeria is on the frontline of the Sahara Desert, where the effects of climate change manifest ominously as desert encroachment, erratic rainfall and a drastic reduction in surface and underground water sources. To address this, the Islamic Development Bank (IsDB) partnered with the Federal Government of Nigeria (FGN) and the African Development Bank (AfDB) to co-finance the implementation of the Zaria Water Supply Expansion and Sanitation Project. Under this arrangement, IsDB funded the construction of transmission mains, service reservoirs and booster stations while FGN funded the construction of the Galma Dam, and AfDB funded the rehabilitation and expansion of the distribution network and the provision of toilet facilities.

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Nigeria



In every drop of water, there is a life story. Mine began in 1964, four years after Nigeria won its independence from British colonial rule. I grew up in Kafanchan, a railway town located in the southern part of Kaduna State, where I spent the first 13 years of my life. Water flowed generously through Kafanchan, by way of multiple natural springs. Not far from where we lived were the famous Matsirga Waterfalls, known locally as Kabyek Tityong – a place of outstanding natural beauty.

As children, our favorite pastime was to swim and fish in the rivers that flowed through our hometown. We would often play by the waterfalls, which fell dramatically into a gorge surrounded by rocks. Matsirga cascaded from a face of sheer stone through four natural funnels. It was about 30 m tall and fell into a large plunge pool at the bottom. As the firstborn in my family, I felt naturally responsible and watched over my siblings as they jumped happily into the water, one by one.

Baba was a successful merchant, who worked hard to build his wealth so that he could give us a good life and a quality education. He enrolled me into a madrasa at an early age, where I studied the holy Quran under the late Malam Iro Musa Mailawali, our neighborhood imam and spiritual guide. I made many lifelong friends during my time there, with whom I not only shared some of my fondest childhood memories, but also my fears and aspirations.

We were fed three square meals per day, processed from crops that had been cultivated on our teacher's farm, including maize, millet, guinea corn and rice. This early exposure to subsistence agriculture made me realize the importance of water to families, communities and even nations. I often pondered the fact that water constitutes about 80% of both the surface of the earth and the composition of the human body, such was its significance to our survival.

As children, Baba taught us that the best way to thank Allah for his blessings was to spend our money in a righteous way, so we were always encouraged to support the less privileged members of society. Since my family was one of the first in Kafanchan to connect water through pipes to our house, we shared the water connection with our neighbors, who would send their children to fetch water using containers of varying sizes.

In our town was one of the branches of Kaduna State Water Corporation, which treated the supply water from the famous Kagoro hills a few kilometers north of Kafanchan. I remember that whenever there was a burst pipe, the water gushing out of

the pipe would rise as high as the roof of our houses due to the strong water pressure. Little did I know that one day fixing burst pipes and leaks would be part of my work.

The water supply soon became scarce and presented a number of challenges to the community, especially in the area of Zaria. This led to deteriorating hygiene and sanitation among the rapidly growing population and resulted in numerous outbreaks of waterborne diseases, such as typhoid fever, cholera and diarrhea. Other impacts included increasing poverty, as a result of people's declining productivity due to illness and the time they had to spend fetching water over long distances.

Education also suffered as students had to spend hours searching for water. Such challenges limited any prospects of social mobility. Water scarcity led to migration to the southern parts of Nigeria, particularly among pastoral nomadic communities. There were also food security issues, resulting in malnutrition, stunting and a reduced life expectancy.

I became involved in the Zaria Water Supply Project in February 2019, when I was deployed from Kaduna Industrial and Finance Company to Kaduna State Water Corporation to be the Managing Director and Chief Executive Officer. Prior to my arrival the project had been substantially completed; what was required was the final push to conclude this novel project, which would provide relief to the communities of Zaria.

I immediately briefed the State Governor that the project was ready for commissioning and he directed us to come up with a letter of invitation to President Muhammadu Buhari to serve as a special guest of honor. The day of the commissioning was one of the most memorable days of my life, as I was a central figure in an event that would bring relief and succor to millions of people by supplying them with potable water.

The event was colorful, with powerful dignitaries in attendance such as the President, the Governor, the Emir of Zazzau and officials of IsDB, among others. Members of the community were not left out, for they came out in large numbers to witness the historic occasion. Some of the speeches made tears of joy run down my cheeks.

As the team leader, I provided focused, results-oriented leadership to the project team. I ensured that the team were motivated to be productive in accomplishing all the tasks assigned to them. I played the role of liaison and information officer between the different stakeholders involved in the project. The sermons of our

**“What was required was the final push to conclude this novel project, which would provide relief to the communities of Zaria.”**

**“The water, sanitation and hygiene (WASH) service profile of the town and country were enhanced.”**

parents, teachers and mentors guided us to ensure that our thoughts, words and actions were based on the fear of Allah, overriding public interest and patriotism.

In the case of the Water Treatment Plant, the vital inputs included electric power, treatment chemicals and spare parts. Poor electricity supply was our main challenge. The alternative to a public electricity supply is to rely on generators, which are costly to operate. Maintenance of the modern water infrastructure and assets financed by IsDB and other stakeholders is another potential challenge that must be addressed when it eventually becomes necessary. Without regular maintenance the facilities will deteriorate.

Public perception of water as a gift of God was a challenge that required an innovative solution. Cost recovery is important to sustain the Water Corporation, as is the practice in most parts of the world. However, we are happy that these problems are known, and all hands are on deck working to address them.

The biggest achievements of the project include its completion on time, within budget, and with savings unlike other public projects in Nigeria, which were marred by undue delays, and sometimes abandoned without completion. The project continues to positively impact the lives of the communities it serves. The water, sanitation and hygiene (WASH) service profile of the town and country were enhanced. The multiplier effect improved all aspects of health, income and human development as envisaged by the Sustainable Development Goals.

Communities are now buying water more cheaply than they used to. Perhaps the most novel aspect of the project was the low-income connection policy to benefit poor families who could not afford the connection fees. The social connection policy recognized that not all fingers are equal and ensured that families with modest incomes were carefully identified and connected without payment, so that they too could access water as a right.

The fees payable are prorated into token amounts to be included in people’s monthly water bills for payment without burdening them beyond what they can afford. This is an innovation that has never been practiced before, and poorer people are happy that they have not been left behind.

I am particularly proud of the role I played in organizing, along with my colleagues, the successful commissioning ceremony of the Zaria Water Supply and Sanitation

Project by the President of the Federal Republic of Nigeria. The event took place without a hitch, full of glamour and history, and marked the end of a decade-long water scarcity for over two million people in Zaria.

I was overjoyed to see the beaming smiles on the faces of the crowd, made up of men, women and children that came to welcome the President and witness the ceremony. This event reminded me of a hadith of the Prophet (SAW): The best amongst mankind is he that brings benefit to others. In this case, IsDB, the Federal Government and the Kaduna State Government partnered to change and benefit the lives of the Zaria people forever.







## Glass Half Full

STORY OF **Fatima Ladi Abdullahi**

WRITTEN BY **Wahyu Wijayanto Sunaryo**

Zaria is the main city in Kaduna State, Nigeria, with a population of 714,000, but most people here have never had a reliable water supply system, which is critical to support their daily lives. The water supply system in Zaria was originally constructed in 1939, then expanded in 1975. Since then no significant investment has been made to rehabilitate it. In 2012, the Islamic Development Bank (IsDB) and the African Development Bank (AfDB) joined forces to support the government in rebuilding the water infrastructure system. Communication, collaboration and the commitment of stakeholders proved key to successfully completing a water supply expansion program that will meet Zaria's water demand for at least the next 15 years.

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Nigeria



I grew up in Sabon Gari, Zaria, Kaduna State. Ours was an average family since my father was a retired soldier. His pension was nothing to write home about and that was his only means of income. To support him, my mother carried out petty trading to supplement his income. Due to our scarce resources, only my two brothers could further their education.

I was asked to marry, since, as a girl, my parents believed it was not necessary for me to go further than secondary school. But I stood my ground and, as a result, my mother had to pay for my school fees for me to attain my Diploma in Law.

We had access to water while growing up, and I used to be the one assigned to go and pay the water bill. Life was easier then, until sometime in the 1990s, when water became scarce and we had to go to the stream to fetch it as the wells had started drying up.

The river was far from our house and we had to go four or five times a day to fetch enough water to sustain us through the day. People in our neighborhood would praise me since I was a university student and it was rare to see girls at that time attending university, especially from a Hausa suburb, where it was generally believed that the place of a girl was in her husband's home.

The water sector in Zaria began to face many challenges. Climate change contributed a lot towards water scarcity since most of the hand-dug wells had dried up. I became involved with the Zaria Water Supply Project when I was appointed the legal advisor of Kaduna State Water Corporation in 2019.

There were many challenges involved, especially for low-income beneficiaries, as they didn't have much knowledge about how to connect the water to their homes. I advised that in such cases, the Water Corporation should complete the connection itself and input the cost into the bills of the customers, which made it easier.

Low-income beneficiaries no longer need to trek long distances to fetch water from the river. Nor do they have to buy water from vendors, whose sources they are unsure of. Waterborne diseases have completely disappeared from the community. Local women who do businesses of Zobo and Kunun Zaki (local drinks) now do it with ease as they are sure of the safe source of the water included in the drinks.

Zaria is the main city in Kaduna State, Nigeria, with a population of 714,000. The city is the center of the textile industry and home to Ahmadu Bello University, the largest university in Nigeria. Despite the city's importance, most people in Zaria have never had a reliable water supply system. This is critical to support their daily lives.

The water supply system in Zaria was originally constructed in 1939, then expanded in 1975. Since then no significant investment has been made to rehabilitate it. Thus, the system has been characterized by limited network coverage, broken pipes, an inefficient treatment system and poorly maintained infrastructure causing significant losses of already scarce water from the network. Because of this, people have relied on traditional hand-dug wells and sachet water for their daily needs.

In response, in 2012, IsDB and the African Development Bank (AfDB) joined forces to support the government in rebuilding the water infrastructure system. The aim was to fulfill the water demand of the people of Zaria and surrounding villages sufficiently and safely, through the Zaria Water Supply Expansion Project.

Building the water infrastructure was a collaborative effort. It involved the construction of a multi-purpose dam by the Federal Government of Nigeria; a water treatment plant funded by the Kaduna State Government; and 73 km of transmission pipes, pump stations and 10 bulk water reservoirs, with a total capacity of 39,600 m<sup>3</sup>, financed by IsDB (USD 81 million). It also included the installation of 350 km of water distribution pipes, house connections and sanitation facilities in public areas financed by AfDB.

This massive water infrastructure development successfully attracted various investors and development partners and mobilized a total investment of USD 437 million. However, the project also encountered unique challenges in terms of project management and coordination. For instance, transmission mains, bulk water reservoirs and pump stations, financed by IsDB, were all installed in the middle stream of the water system. Thus, synchronizing the pace of construction with components implemented by other financiers was very challenging. It also carried the risk of a mismatch in design and composition that could affect the sustainable delivery of water into the network.

Therefore, immediately after the confirmation of IsDB's financing in 2014, the design and construction of the four major contracts being funded by the Bank were tightly coordinated with other stakeholders' technical teams. The implementation was set

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**IsDB and  
the African  
Development  
Bank (AfDB)  
joined forces  
to support the  
government  
in rebuilding  
the water  
infrastructure  
system.**”

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NIGERIA



at full speed to align progress with other critically interlinked components. Despite this, the project was often impeded by critical issues, such as difficulties in acquiring private land for the pipes and reservoirs, as well as continuing structural reforms within the executing agency.

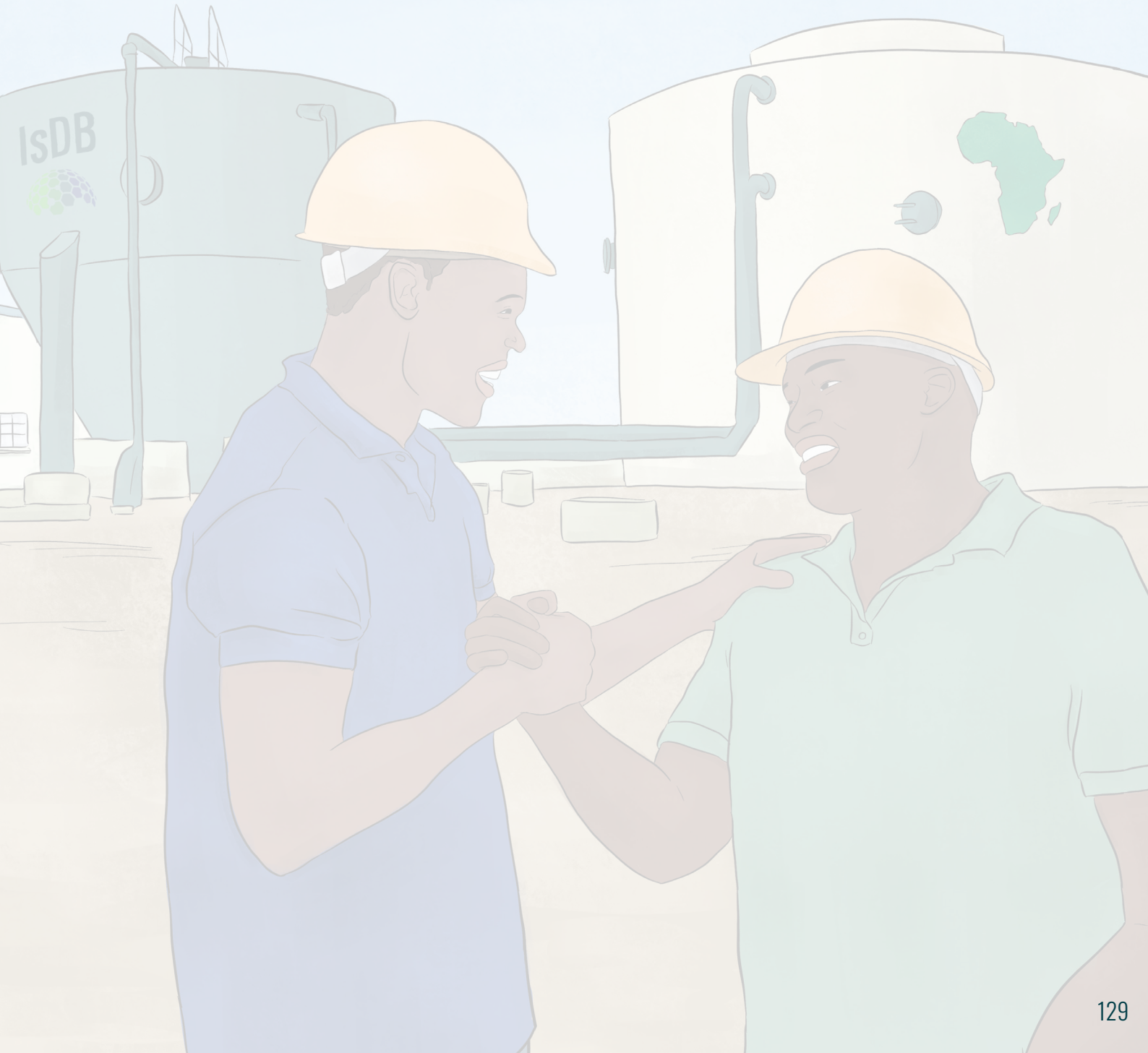
Realizing that the staff capacity, authority and continuity of services provided by the project management unit (PMU) were fundamentally important, IsDB's project team emphasized close coordination between the PMU and local governments at the heart of management support for the Zaria project. Moreover, fluid communication and collaboration with the supervision consultant, AfDB's project team and officials from Kaduna State Government have become the building blocks for strong project management support. As a result, when issues emerged in the field, they were fixed quickly with appropriate support from the Bank.

Despite its complexities, the Zaria Water Supply Expansion Project was successfully completed in 2018, less than four years after its initial implementation – a remarkable achievement. The resulting water system will provide for the region's needs until the project horizon of 2035. This means that more than 960,000 people in Zaria and the surrounding villages are benefiting from the continuous supply of potable water through connections directly to their houses. In addition, trained staff of the Kaduna State Water Board constantly monitor the water system to ensure a good level of quality and service delivery.

The uninterrupted supply of potable water also benefits the economy in the region, especially for the 64% of the population still living below the poverty line. In this regard, the region's water tariff is based on the consumption rate of households, with subsidies provided for the lower income segment, thereby safeguarding social justice in the community. In addition, the previous costs of drawing water can now be invested in good-quality education and better health services.

Two-way communication, collaboration among stakeholders and commitment were critical success factors in the management of the Zaria Water Supply Expansion Project. These '3Cs' of the multi-stakeholder management approach, combined with compassionate support from IsDB, reflecting Islamic values, are the ingredients of the success of the development project.

In August 2019, the President of Nigeria, Muhammadu Buhari, inaugurated the commissioning of the Zaria Water Supply Expansion Project, marking the end of 40 years of water scarcity in Zaria.







The stories presented in this publication are based on the drafts submitted by the authors. However, to ensure readability and consistency in style, diction and logic, stories have been edited and developed without losing the originality of the initial submissions.

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