



DRAFT STATEMENT OF

H.E. DR. YOUSEF A. AL-OTHAIMEEN,
SECRETARY GENERAL OF THE
ORGANIZATION OF ISLAMIC COOPERATION,

AT THE 44TH ANNUAL MEETING
OF
IDB BOARD OF GOVERNORS

MARRAKECH,
KINGDOM OF MOROCCO
5-6 APRIL 2019

Bismillahi Arrahmani Arrahim

Your Excellency _____,

Your Excellency Mohamed Benchaaboun, Minister of Economy and Finance of Morocco and Chairman of the 44th Annual Meeting of the Board of Governors of the IDB,

Your Excellencies Honourable Ministers and IDB Governors,

Your Excellency, Dr. Bandar bin Mohammed bin Hamza Asaad Hajjar, President of the Islamic Development Bank Group,

Distinguished Ladies and Gentlemen,

Assalamu Alaikum Warahmatullahi Wabarakatuhu

It is indeed a great honour for me to address the 44th Annual Meeting of Board of Governors of the Islamic Development Bank Group, taking place at this historical city of Marrakech, which is well renowned for its huge and impressive tourist attractions.

Permit me to seize this opportunity to express our deepest appreciation to His Majesty King Mohammed VI of Morocco for his high patronage of this meeting. I also recognize the warm and brotherly hospitality, which the Government and the entire people of Morocco have accorded to all delegates at this meeting, such that has contributed to the success of this annual gathering of the Governors of the Islamic Development Bank.

Similarly, I congratulate my dear brother, Dr. Bandar bin Mohammed bin Hamza Asaad Hajjar, President of the Islamic Development Bank Group, for his outstanding leadership and wisdom, which have led to repositioning this all-important multilateral development financing institution of the OIC, thereby making it as a veritable catalyst for socio-economic transformation of our member states.

This meeting offers an auspicious occasion to assess the performance of our member states' economies in recent times. I am glad to note that the socio-economic outlook of OIC member states has continued to record a positive trend, judging from steady increase in our combined Gross Domestic Product from US\$15.8 trillion in 2013 to US\$19.4 trillion in 2017, while the average Gross Domestic Product per capita has also increased from US\$ 9812 in 2013 to

US\$11137 in 2017. Accordingly, there are brighter prospects for the growth of OIC Gross Domestic Product, which had dropped to 3.8% in 2017 compared to the figure of 4.4% Gross Domestic Product growth rate in 2013.

**Mr. Chairman,
Honourable Governors,**

There is no doubt that the renewed focus of the Islamic Development Bank on science, technology and innovation, community-related human development activities, prioritization of agriculture and food security, development of the water, urban and transport sectors, as well as addressing the climate change challenges are areas of policy convergence with major OIC institutions. In the past year, the various OIC institutions have effectively collaborated in developing several capacity building programmes on trade and investment, particularly in the areas of export credit, trade statistics, single window modalities, investment and Halal business. It is our sincere hope that these joint efforts would lead to the realization of the target of 25% of intra-OIC trade by 2025, considering the fact that intra-OIC trade had continued to increase successively from 14.5% in 2005 to recent figure of 19.82% in 2017.

To this end, the General Secretariat and Islamic Development Bank are collaborating effectively in creating conducive atmosphere for increased investment in OIC countries. Accordingly, there are ongoing efforts to strengthen the appropriate legal instrument for investment promotion under the existing OIC Agreement for the Promotion, Protection and Guarantee of Investments, which entered into force on 25 February 1988. You would recall that the Agreement provides for a dispute settlement mechanism that has not been established to date. At this juncture, let me express my sincere gratitude to the President of IsDB for putting at our disposal the required expertise for the elaboration of a protocol that would facilitate the establishment of an OIC Permanent Mechanism for the Settlement of Disputes, instead of the existing Ad-hoc arbitration mechanism. In this regard, I am pleased to inform this meeting that the 46th Council of Foreign Ministers held in Abu Dhabi, United Arab Emirates on 1-2 March 2019 has adopted a suitable roadmap for the establishment of this mechanism, in order to align the relevant OIC agreement

with modern international investment law as well as the objectives of global sustainable development.

In the agricultural sector, we have continued to work together on the elaboration of the OIC programmes of action for the development of wheat, rice and cassava, three strategic commodities, which can assist our member states in leap-frogging the stages of development, thereby addressing the challenges of youth and women unemployment as well as rural and urban migration. In this regard, it is appropriate to recall my earlier appeal to leaders of our member states to redeem their respective pledges and commitment to the Islamic Solidarity Fund for Development, which has only mobilized 26% of its US\$10 billion capital. It is important to note that the major target sectors for the Fund, namely food security, vocational training and microfinance are very critical to our socio-economic renewal.

**Mr. Chairman,
Honourable Governors,**

Considering the fact that the challenges of socio-economic development in OIC member states have continued to be multidimensional, cutting across social, economic, political and cultural factors, our Organisation has placed considerable emphasis on strengthening its poverty alleviation strategies. In addition to supporting human and physical infrastructure programmes, the social sector has assumed prominence in the realm of affairs. To this end, the political crises in a number of OIC countries have remained origin of the chronic environmental degradation and loss of biodiversity with their attendant deterioration of living condition and food insecurity in our member states. In order to address these challenges, our Ministers, in their last Council of Foreign Ministers, considered the fact that the shrinking of the Lake Chad, which is shared by Algeria, Cameroon, Central African Republic, Chad, Libya, Niger, Nigeria and Sudan, and which water has shrunk from 2,500 square kilometers in 1985 to 1,500 square kilometers, has triggered mass migration, conflicts and armed banditry in the region, including the Boko Haram insurgency. Accordingly, they have requested OIC Member States and relevant OIC development financing institutions, including Islamic Development Bank Group and Islamic

Solidarity Fund, to support the Transaqua project, an initiative designed to replenish the waters of Lake Chad, among other measures aimed at socio-economic regeneration in the area.

In the domain of science, technology and innovation, I wish to commend the Islamic Development Bank Group for the establishment of a special fund named “Transform”, which provides seed money for innovators, start-ups and SMEs. In addition to enhancing our relevant vocational training agenda, this special fund will support the implementation of the OIC Science, Technology and Innovation Agenda 2026, which was adopted during the First OIC Summit on Science and Technology held in Astana, Kazakhstan in September 2017.

The foregoing measure is closely related to our joint elaboration of OIC Infrastructure Development and Regional Integration Policy, which aimed at developing regional projects in OIC member states in such critical sectors as energy and industrialization. Judging from the brainstorming session held during the last Council of Foreign Ministers in Abu Dhabi, intra-OIC cooperation on renewable energy has become very paramount. I am hopeful that the eventual adoption of the OIC blueprint for infrastructure development would go a long way in addressing the current gap in the share of OIC member states in the global energy production and consumption.

Finally, I wish to place on record our appreciation of the excellent working relationship existing between the IDB Group and the OIC General Secretariat. I am convinced that this fruitful collaboration will impact positively on our joint endeavours as we seek to advance the cause of rapid socio-economic development and prosperity in our member states.

I wish this meeting successful deliberations, and I thank you for your kind attention.

Wassalamu Alaykum wa-Rahmatullahi wa-Barakatuhu.