

**STATEMENT BY
IsDB GOVERNOR FOR THE ISLAMIC REPUBLIC OF PAKISTAN**

**(at the Occasion of 47thAnnual Meeting of IsDB Board of Governors
(June 01 – 04, 2022) at Sharm El Sheikh, Arab Republic of Egypt)**

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Your Excellency Chairman of the Board of Governors,
Honourable Governors and Alternate Governors,
Honourable President IsDB,
Distinguished Guests,
Ladies and Gentlemen,

Assalam-o-Alaikum Wa Rahmatullah-i-Wabarakatuh.

On behalf of the Government of Pakistan, I extend my profound gratitude to Islamic Development Bank and the Arab Republic of Egypt for hosting this 47thAnnual Meeting of the Board of Governors. I appreciate the warmth and hospitality extended by the Government of Arab Republic of Egypt and the support provided by IsDB Management and staff under the leadership of H.E. President Dr. Muhammad Al Jasser.

Mr. Chairman,

We are holding this annual meeting at the crossroads of uncertainty and despair, when a lot is yet to be done to recover from the impacts of COVID-19 pandemic. Additionally, the ongoing Russian-Ukraine war has posed serious challenges to the supply of essential food items. High inflation in case of essential items has seriously affected the daily life of common man. Petroleum and gas prices are sky rocketing which has domino effect on the prices of commodities and items of daily use. The global economy has shrunk during the year 2021 and projections for 2022 are also not promising. It is estimated that 970 million people will continue to live below income level of US \$1.25 a

day, equivalent to 15.5% population of the developing world; incidence of poverty is more prevalent in IsDB Member Countries.

Climate change is another existential threat to the human life in many parts of the world; abnormal weather patterns, erratic weather conditions and increase in temperatures are affecting common man's life in other ways. This summer many countries of sub-Saharan Africa and Asian regions are facing severe drought resulting in to deaths of humans and animals, non-availability of water for agriculture and starvation of humans due to non-availability of food. Most of the drought hit areas fall in low-income and poor countries and people's livelihood in these areas is predominantly dependent on agriculture and its related economic activities. Drought has posed threat to the life and livelihood of population living in these areas. In the global context low agriculture productivity has triggered the alarm for food security and hunger threat in food importing countries. According to World Food Program number of people facing hunger threat globally has increased to around one billion.

Conflicts in some countries are affecting daily lives of thousands, also billions of dollars are being spent on arms and war related activities. By opting peaceful co-existence nations can save these precious resources, which can be diverted to towards more noble causes like poverty alleviation, health and education which can be helpful to combat disease and eliminate extremism in the world. Russian- Ukraine war has added to the challenges on account of food availability and supply of oil and gas at affordable prices. All these factors are adding to the economic vulnerabilities of many developing countries, particularly economies which are dependent on import of food items and petroleum products. Consequently, many member countries are facing balance of payment challenges and looming threats for credit-rating downgrades.

In this backdrop, Sovereign Governments and Multilateral Financial Institutions have responsibility to pool financial resources and take immediate measures to address the emerging challenges humanity is facing. Some key areas for focus of IsDB to address the contemporary challenges are as under:

- As the COVID pandemic is not yet over, countries should adopt the best practices deployed by other countries like smart lock downs, vaccination inoculation methodologies etc. Availability of vaccines has been a challenge for many developing countries therefore, IsDB along with other IFIs should invest for the vaccine manufacturing facilities in capable member countries. Similarly, priority should be given to develop futuristic health infrastructure in member countries.
- To address the challenge of food security the Bank should support the member countries and build capacities for better farming practices, provisioning of high yield and pest-resistant seeds varieties and other farming inputs at competitive prices.
- The Bank may invest to develop reliable commodity markets and supply chain mechanisms in member countries. This will ensure incessant supply of commodities at affordable prices. Also, ITFC can play vital role by enhancing the size of short-term trade financing facility to member countries who import POL and food items from outside market.
- The Bank may co-finance world-class infrastructure projects that are clean, green and climate friendly. Investment in renewable alternative energy sources like hydel, solar, wind and R&D to reduce capex cost for these alternate sources will reduce pressure on the import bill of many member countries. This will provide more clean and economical energy options for the people. Similarly, investment in public transport mass

transit systems in mega cities will promote clean climate with economical transportation at affordable price.

- Conservation and efficient use of water is another important area to invest for better future.

Mr. Chairman,

I conclude by reaffirming our resolve for better future and to prioritize investment in inclusive and people centric development projects. We look forward to further strengthen our ties with IsDB and fellow member countries to share expertise through reverse linkages program. Needless to say, our joint efforts can go a long way in bringing about stability and prosperity in our region and in the Muslim world. We greatly value our close economic relations with IsDB and the brotherly member countries.

May Allah bless us all.
