

**STATEMENT BY
H. E. M. JUSUF KALLA
VICE PRESIDENT OF THE REPUBLIC OF INDONESIA**

(Original : English)

Bismillahirrahmanirrahim,

Assalamualaikum warahmatullah wabarakatuh,

**H.E Dr. Ahmad Mohammad Ali, President of the Islamic Development Bank
H.E ..(please add the name of dignitaries to be acknowledge)
Distinguished Members of the Board of Governors and Heads of Delegation.**

Ladies and Gentlemen,

Since its inception and establishment 41 years ago, this institution had relentlessly fought for the advancement and improvement of its member countries economy and social welfare through the application of its syariah based financial instrument and technical support.

A lot have been done since, and a substantial amount of money and energy have been devoted to the noble cause of advancing the economy and social welfare of billions of people living within its member countries borders.

This has been done by focusing and supporting key development sectors such as Infrastructure, Education, Health, Agriculture, Community Empowerment and Syariah Financial System.

In the case of Indonesia, cooperations with the IDB has been focused on efforts to strengthened economic growth and addressing inequality in its wealth distribution.

In the period of 41 years, since the beginning of Indonesia's membership in the IDB, this institution has disbursed more than 2.51 Billion USD to finance projects in key development sectors such as infrastructure, agriculture, education, health, public utilities and syariah financial industry.

These projects have contributed to the growth of the economy and social welfare of our country through the increase of public participation in Islamic Education and Syariah Based Financial System, as well as through the creation of new Small and Medium Scale Enterprises.

Despite of this success, IDB as one of the world's leading multilateral financing institutions faced a new and more demanding challenge in the form of global economic slow down, which resulted in a serious decline of people's purchasing power in many of its member countries.

This problem is worsened by an enduring conflict and political turmoil ,which still exist in a number of moslem countries, both in the Middle East and Sub-Sahara Africa regions.

This wide and complex spectrum of issues must be addressed accordingly through the financial and technical assistance instruments currently offered by this Institution.

And although problems arising from enduring political conflicts cannot be resolved only through financial aid and assistance, IDB can still contribute positively to the resolution of issues arising from these conflicts.

In this regard IDBs financial instrument can be utilized to provide and enhanced assistance needed, to manage the flow of refugees from conflict areas and to ease the suffering of people affected by these conflicts.

This can be done individually or through the coordination and collaboration with other Multilateral and International Organizations such as the World Bank and the UN.

In addition to the support given to refugees and those affected by conflicts, we would also like to urge the IDB Group to step up its assistance, in support of the struggle for independency of Palestine and Al Quds Al Sharif. This is in line with the unified political support given by OIC member countries through its 5th Extra Ordinary Summit held in Jakarta, last March.

Although the financial assistance provided might not, in itself, be sufficient to resolve the enduring political conflict faced by these countries, it may go a long way to boost hope and confidence for a better future for Palestinians and those living in Al Quds Al Sharif.

Distinguished Guest and Colleagues,

For Member countries with a more stable political and security condition, IDB roles can be focused in strengthening their economic growth and increasing their resiliency towards global economic crisis, in addition to continuously striving to help them address issues of inequality.

IDBs Syariah Based Financial Instrument must take a pioneering role as a leading financial instrument in the effort to eradicate extreme poverty and empower the middle to lower income group of communities, throughout its member countries. In this context Indonesia supports the Bank Group strategy in both global and national level through its Member Country Partnership Strategies, which prioritized financial support and assistance based on the development plan of its member countries

For Indonesia in particular, the current IDB Member Country Partnership Strategy of 2016-2020, which will be officially launched during this meeting, has outlined the focus of its support and assistance in line with our medium term development plan and these includes sectors such as ; transportation and energy Infrastructure, urban development, higher education and skill development, private sector development and the strengthening and deepening of syariah financial sector.

But once again, the challenge of IDB should not stop only in advancing the national development agenda of its individual member economies.

In the era where economic integration has become a global norm, IDB role should be directed to help its member countries better prepared to embrace and take advantage of the flourishing initiatives on regional and trans regional economic integration.

This is especially true for IDB members in the Asia Pacific region, which currently struggles to meet the demanding challenge of Asean Economic Community and Trans Pacific Partnership Initiatives.

Distinguished Guest and Colleagues,

Still in the context of supporting Global Economic Integration, IDB can take a strategic role by influencing this trend within the scope of its network. This can be done by supporting the development of halal industries and supporting the trade of halal products or services within and among its member economies.

This can be done by providing financial support for companies producing halal product or services through existing syariah financial institutions and facilitating its exports through the provision of syariah based trade credit guarantee instruments.

Through this strategic intervention, IDB can influence the global trend of economic integration, adding an Islamic Flavor to the conventional trade and investment activities generated, while creating a market demand for halal products and services produced by its member economies.

I strongly believed, that the Islamic Development Bank will live to the expectation of its members as a dependable and reliable development partner, which continuously strive to improve the resiliency and independency of its member economies.

Concluding my remark, I would like to convey my sincere hope that this 41st Annual Meeting of the Islamic Development Bank can be carried out successfully and resulting in policies and strategies, which benefiting both IDB Member Countries and the Global Community as a whole.

To H.E The President of IDB and all members of his Team and Board of Management as well as to all distinguished delegates, I bid you all a warm welcome to Indonesia and wish all of you a productive and successful meetings. May Allah SWT blessed and guides us in this important endeavor.

Thank You,

Wassalamualaikam Warahmatullah Wabarakatuh,