

**STATEMENT BY**  
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**IDB GOVERNOR FOR TURKMENISTAN ON BEHALF OF THE ASIAN GROUP**

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In the name of Allah, the Most Gracious, the Most Merciful

**Your Excellency Mr. Joko Widodo, President of the Republic of Indonesia,  
Distinguished Chairman of the IDB Board of Governors, Excellency Bambang  
Brodjonegoro,  
Distinguished Governors and Executives Directors of IDB,  
Your Excellency, Dr. Ahmad Mohamed Ali, President of the IDB Group,  
Esteemed Guests,  
Ladies and Gentlemen,**

Assalamualaikum warahmatullahi wabarakatuh.

Alhamdulillah, we are gathered here today for the 41<sup>st</sup> Annual Meeting of the IDB Board of Governors. Let me begin by extending our profound gratitude and deep appreciation to the President of Indonesia, His Excellency Br. Yoko Widodo, the Government and people of Indonesia for the warm welcome and generous hospitality extended to us since our arrival in this beautiful city Jakarta.

On behalf of the Group of Asian Member Countries of the IDB, it is a great honor and privilege for me to address this august gathering of the Governors of the Islamic Development Bank at its 41<sup>st</sup> Annual Meeting. We are confident that this promising gathering will contribute to fruitful discussions and successful outcomes.

**Mr. Chairman,  
Distinguished Guests and Delegates  
Esteemed Brothers and Sisters.**

The current development context of the Asia region is mixed. Although the region overall remains the engine of global growth, lower commodity prices and adverse geopolitical developments have dampened growth prospects, although these are somewhat brighter for IDB member countries in East and South Asia driven primarily because of domestic consumption demand. Over the medium-term, among the key development challenges facing the region are infrastructure deficits (the need to improve energy efficiency and extend transport networks still persist) and inclusiveness as the reduction of poverty rates is not commensurate with the economic growth rates experience in the region.

This is why the theme of this year's Annual Meeting: *Enhancing Growth and Poverty Reduction through Infrastructure Development and Financial Inclusion*, is very fitting for the Asia region. The Region has successfully lifted millions of people out of poverty over the past three decades, yet it remains home to more than half of the world's poor.

We hope that through its financing of infrastructure development, IDB will help the region's member countries overcome the infrastructure deficit challenge, deepen growth in the in the region and help make this growth more inclusive.

With respect to Islamic finance, the overall low financial inclusiveness and marginal penetration in larger IDB Member Countries in Asia underscores the significant potential of Islamic financial products and services as new sources of financing for the growing infrastructure investment needs of the Asia region. We are therefore looking forward to the IDB, as a premier Islamic Finance Institution, to support the region integrate into the Islamic Finance world and offer us the innovative tools and instruments that will also ensure financial inclusion as well.

**Mr. Chairman,  
Distinguished Guests and Delegates**

To return to sustained high economic growth that the region is used to, there is need to attract more capital flows and boost trade within and with other IDB Member Countries outside the region. In this context, the IDB is expected to increase its role in fostering regional economic cooperation and trade.

It is in this regard that the Asia region commends the Bank for the formulation and launch of the Special Program for Central Asia. The Program aims to support cooperation among its member countries in Central Asia in order to facilitate trade, enhance competitiveness and promote economic growth in pursuance of the Sustainable Development Goals (SDGs). It covers six countries, namely: Azerbaijan, Kazakhstan, Kyrgyz Republic, Tajikistan, Turkmenistan and Uzbekistan. The IDBG's 10-Year Strategy and the Organization of Islamic Cooperation's (OIC) Plan of Action for Cooperation with Central Asia (PACCA) inspire it.

We also commend the Bank that the Program is focusing on transport, energy, trade, and agriculture sectors, along with Islamic finance, the private sector and capacity development as enablers. It will complement ongoing regional cooperation efforts of the international development community, with particular focus on productive sectors of the economy, and the region's further integration into global value chains.

We also understand that a similar regional program, the Program for Regional Economic Cooperation of IDB Member Countries in South and Southeast Asia (PRECSSA) is being formulated within the context of fostering regional cooperation among IDB MCs in South Asia (Afghanistan, Bangladesh, Iran, Maldives and Pakistan) and IDB MCs in Southeast Asia (Brunei, Indonesia and Malaysia). The aim of this Program is to facilitate trade, promote foreign direct investment (FDI), and improve infrastructure connectivity in the region.

**Distinguished Delegates**

We commend the IDB Group's enhancement of its field presence to respond better to the needs of its public and private sector clients. The cumulative approval for 2015 has proven that this approach is indeed a step in the right direction with the IDB Groups' intervention in only Turkey exceeding US\$1.8 billion. Similarly, the pipeline for both Indonesia and Turkey for 2016 also exceeds US\$1 billion each. In these cases, IDB Group has proven that there is a lot of potential to be realized by strategically positioning itself as a reliable and leading development partner, by

enhancing the internal synergy among IDB Group Entities as well as by developing Group-wide innovative solutions.

We also wish to acknowledge the new business model that since 2010 the IDB Group is implementing in the form of Member Country Partnership Strategies (MCPS). In this regard, we note with deep appreciation that the 18 MCPSs including Bangladesh, Indonesia, Kazakhstan, Malaysia, Pakistan, and Turkey have significantly achieved their objectives both in terms of financing and non-financing activities. I also note the 12 on-going MCPS exercises including Iran, Kyrgyz Republic and Uzbekistan, and the second MCPSs for Turkey and Indonesia (launching today). I hope that the Bank Group will articulate partnership strategies for all the member countries in the near future.

As the IDB is aiming to become First Class Knowledge Bank, the Asian region is also looking towards IDB for more assistance in generating knowledge products that will help member countries addressing development challenges they are facing. Due consideration may also be given for disseminating knowledge for the benefits of our member countries.

**Mr. Chairman,  
Distinguished Guests and Delegates**

We also acknowledge the Bank's strengthening of its development partnerships with traditional and emerging donors (including Asian Infrastructure Investment Bank) to enhance resource availability to member countries including from the Asia region. One such initiative launched in 2015 is the "Lives and Livelihoods Fund" with the Bill and Melinda Gates Foundation (BMGF). Given that this concessional facility will enable the Bank to finance, on concessionary terms, projects especially in Least-Developed Member Countries, the Asia region welcomes this initiative. Similarly, the "Deep Dive Initiative" with the World Bank that will significantly scale-up joint work and investments across 57 common Member Countries is highly appreciated.

**Mr. Chairman,  
Distinguished Guests and Delegates  
Esteemed Brothers and Sisters.**

Alhamdulillah, we all note the successes and achievements with which the Islamic Development Bank has moved forward under the visionary and far-sighted leadership of Dr. Ahmad Mohamed Ali in providing a dignified support to the member countries of the Asian region and we commend him and acknowledge his efforts.

Finally, on behalf of the Asian Group of the IDB Member Countries, I sincerely hope that this Annual Meeting serves as another milestone in furthering the goals of the IDB Group, aimed at facilitating the socio-economic development of our member countries in the Region.

Wassalamualaikum warahmatullahi wabarakatuh.