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42<sup>nd</sup> ANNUAL MEETING  
ISLAMIC DEVELOPMENT BANK GROUP

## Statement of the IDB Governor for the Hashemite Kingdom of Jordan

The 42<sup>nd</sup> Annual Meeting of the IDB Board of Governors  
Jeddah – Kingdom of Saudi Arabia  
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Original Text  
(Arabic)

In the Name of Allah the Most Compassionate and Most Merciful

**Your Excellency, the Chairman;  
Your Excellencies and distinguished ladies and gentlemen**

Assalam alaykum wa rahmat Allah wa barakatuh

It is my pleasure to be with you today for this important 42nd Annual Meeting of the Board of Governors of the Islamic Development Bank to discuss a number of topics and issues of mutual concern to our countries in light of the political, social and economic circumstances currently being experienced in our region. This unprecedented circumstance has an impact upon the security situation in our countries with its repercussions.

First and foremost, allow me to express my profound gratitude to the King, Government, and people of the sister country of the Kingdom of Saudi Arabia for hosting this meeting this year, and for the hospitality and warm reception with which we were accorded. I also thank His Excellency Dr. Bandar bin Mohammed Hamza Hajjar, President of the Islamic Development Bank Group, and all the IDBG staff for the sincere efforts to serve the developmental causes of our countries and efforts made to empower the youth.

**Ladies and Gentlemen;**

This meeting is held at a most crucial and sensitive time due to the numerous profound transformation in the world with their negative impact upon economic and security situation of our region in the short and medium terms. This is manifested in the clear defects in economic growth rates and in the low level of security in some of those countries, which in turn had a negative impact on the livelihoods of citizens and on productivity. It also led to the displacement of millions of people from their countries, placing pressure on some of the countries in the region that host them, including my own country, Jordan.

We are fully aware that these challenges have been further exacerbated by the fact that the region is experiencing low growth rates and high rates of unemployment and poverty due to global economic transformation. The situation requires extraordinary efforts to cope with the challenges faced by our region, and to apply new mechanisms that would respond to such challenges either as states and development institutions.

In this context, please allow me to highlight the most arduous of challenges we face in Jordan, namely the Syrian refugee crisis and its direct and indirect impact on Jordan. Jordan has never shied away from taking its humanitarian and religious obligation towards these crises. Indeed, it is reflective of the wisdom demonstrated by its Hashemite leadership and. This realisation is to contribute in ensuring world peace by all its political, diplomatic and humanitarian channels from the Palestinian question through the Iraqi Refugee situation that started in the 1990s to the Syrian crisis. No doubt, these crises have put burden on Jordan in terms of service sector and to absorb the huge numbers of refugees.

The population of the Kingdom has reached 9.5 million according to 2015 censuses. The censuses indicate that 6617 are Jordanian, while 69.4% are non-Jordanian. The number of Syrians has reached 1.266 million while the number has increased in 2017 by 1.377 million. It is worth-mentioning that the population of Jordan has increased 10 times in the

past 55 years. The biggest increase was witnessed in the past decade particularly forced migration and the Syrian refugees.

The overall financial cost including the direct expenditure from 2012 to 2016 is estimated at \$US10.6 billion. This amount includes costs of education, health services, governmental subsidies on electricity and water, infrastructure services, municipal services, and other basic commodities, in addition to the losses incurred by the transport sector due to closure of the land border crossings, the costs of illegal labour, and security and military costs. The indirect cost is estimated between \$US 3.1 million and \$US3.5 according to UN survey.

In this light, The Government has adopted a policy of combining the humanitarian efforts and the developmental efforts in one national frame, in order to serve the interests of refugees and the host communities at the same time. This is reflected in the Jordanian response to the Jordanian crisis for years (2017-2019). This was developed in collaboration with the international community and the UN Organisation and the civil society organisations.

### **Ladies and Gentlemen**

The Syrian crisis and its impact on Jordan requires a new approach. The London Conference last year has adopted a comprehensive approach to the crisis on the basis of transforming the Refugee crisis to one of creating development opportunities that will benefit both the refugees and host communities. It also involves allocating sufficient monies to support the Jordanian Response programme to the crisis through grants and soft loans and to support economic stability of the country by supporting its financing needs.

### **Ladies and Gentlemen**

Despite the continuous challenges faced by the Kingdom and its meager resources, It is resolute in its modernisation and development programmes. It is taking no excuse for not continuing on its reform programmes that include economic and financial stability in collaboration with International Monetary Fund. It has also put in place economic development plan for Jordan in light of Jordan Document 2015 that encapsulates structural reforms and improving working conditions and investment. It also includes a follow-up on the outcomes of the human resources development strategies and infrastructure.

Hence, we would like to stress how crucial it is for the international community to support Jordan's efforts to overcome the challenges associated with the Syrian crisis in the short and medium terms, and to enable the country to carry out its humanitarian duty towards the refugees and provide services to the Jordanian citizens. We are also hoping that IDB would provide grants to support the Concessional Financing Facility (CFF), which is part of the new joint MENA financing initiative of the World Bank, UN, and IDB, and which is specifically aimed at affected countries hosting refugees and displaced persons, and that it would also encourage its member countries to participate in funding this facility. We are actually counting to a far extent on IDB's role in support of the efforts aimed at providing the required support for this facility, in view of the excellent credit reputation it enjoys, as certified by international credit rating institutions, in addition to the substantial partnerships it has built with various donor countries and organisations.

We also hope that IDB and its member countries will play a crucial role in supporting Jordan and standing with her in order to face the above-mentioned changes and enable her

to make reforms aimed at developing economic growth rates through the following programmes:

- Provision of necessary grants in supporting Jordanian Response Plan to the Syrian Refugee Crisis for (Years 2017-2019)
- Supporting Economic Growth (2018-2022)
- Provision of **Concessional Financing Facility CFF for MENA and Africa**
- Enabling and encouraging IDBG institutions to play a greater role in the process of developing our countries and to promote their goals and instruments among member countries, particularly those institutions that are concerned with supporting the private sector
- IDBG to launch a Fund for Sustainable Development in order to support national and regional projects, as well as Youth Initiatives taking into consideration domestic problems and challenges
- IDBG to play an important role in developing a mechanism for exchange of expertise, skills and technology transfer. It should also be encouraged to play a pivotal role in emphasizing the great importance of technology and the objective of achieving Sustainable Development
- Developing the Capacity Building of member countries in achieving sustainable development
- IDBG can play an important role in promoting the crucial role that the private sector can play in sustainable development
- The important role IDBG can play in supporting infrastructural development within the framework of partnership between the private and public sectors
- Welcoming the new President of IDBG under the leadership of Dr. Bandar M. H. Hajjar

In conclusion, I am confident that IDB will do its utmost to provide everything that would assist Islamic countries in proceeding with their efforts aimed at realising sustainable socioeconomic development and implement various reform programmes, with a view to improving the livelihoods of their citizens. I also hope that IDB will continue to work on promoting and serving the causes of its member countries, and to remain a major partner of those countries in making the aspired development goal a reality. Once again, I thank the Kingdom of Saudi Arabia, and wish you all success in this meeting and in accomplishing its goals.

Thank you for your kind attention.

Wassalamualaikum warahmatullahi wabarakatuh.