



Islamic Corporation for
Development of the Private Sector

October 22nd, 2019

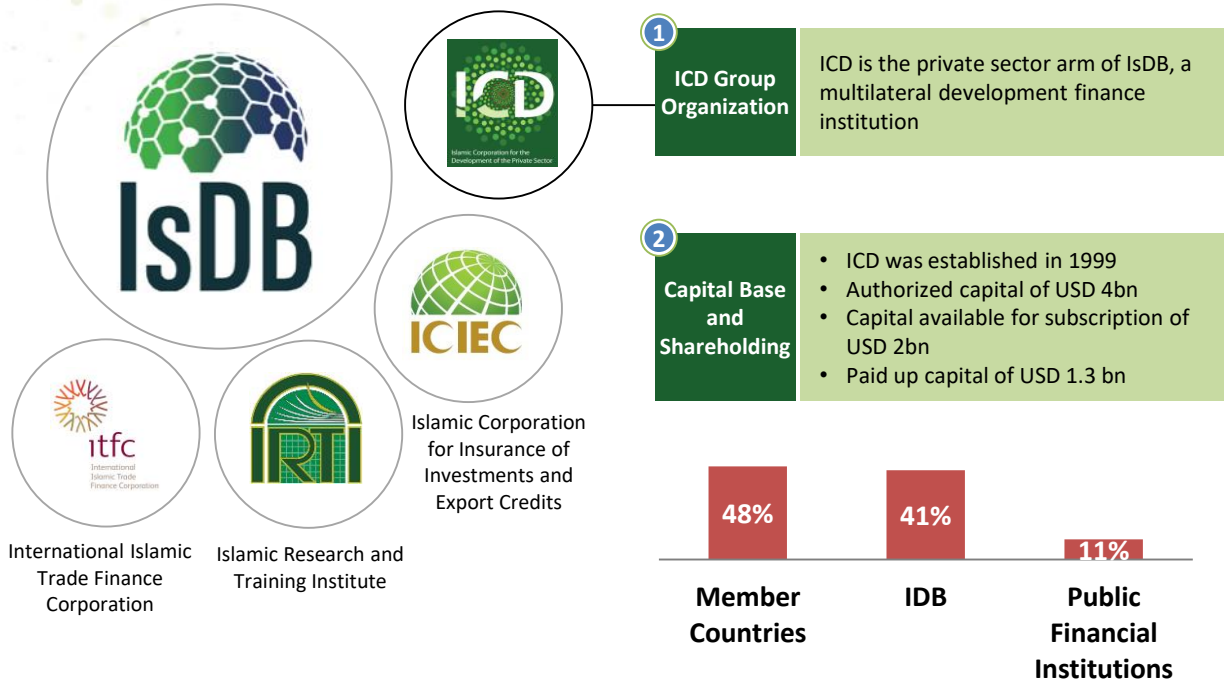
Mohammed Alyami,

July 2012
PhD

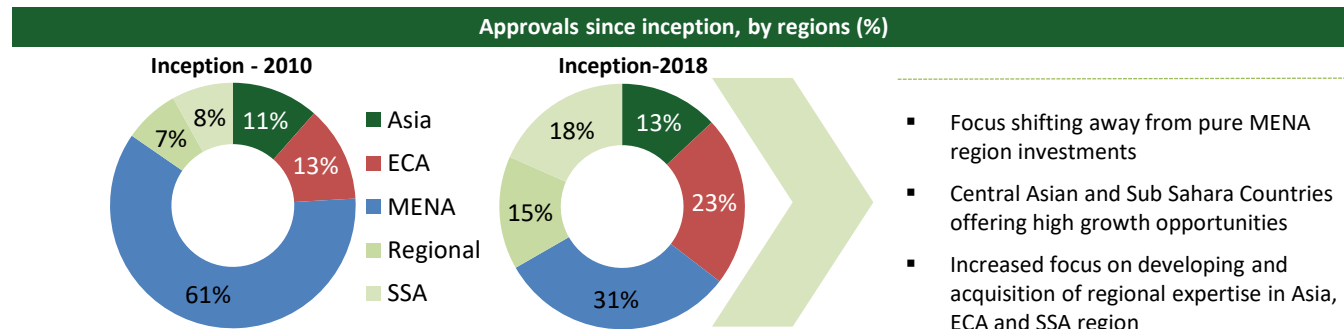
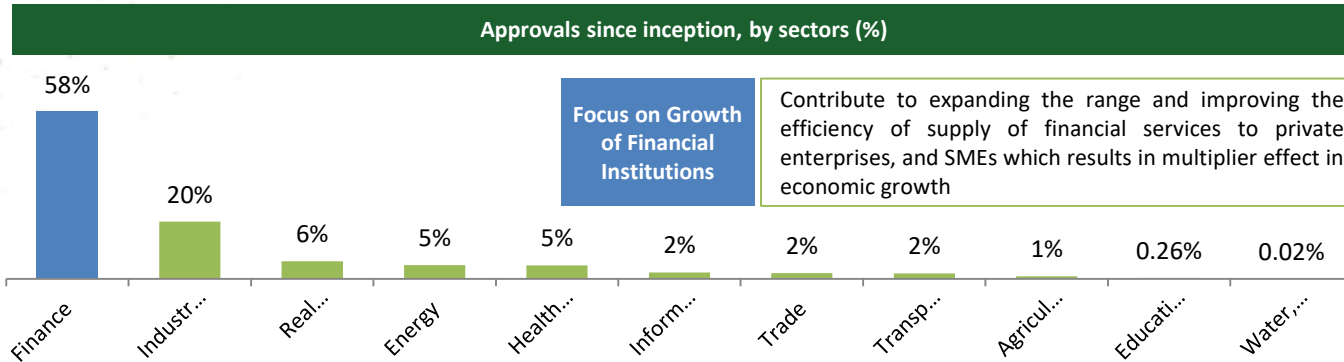
How to stimulate demand for Impact?

2019 National Capacities Conference
Hurghada - Egypt

ICD - The Private Sector Arm



Regional & Sectorial Breakdown of ICD Operations

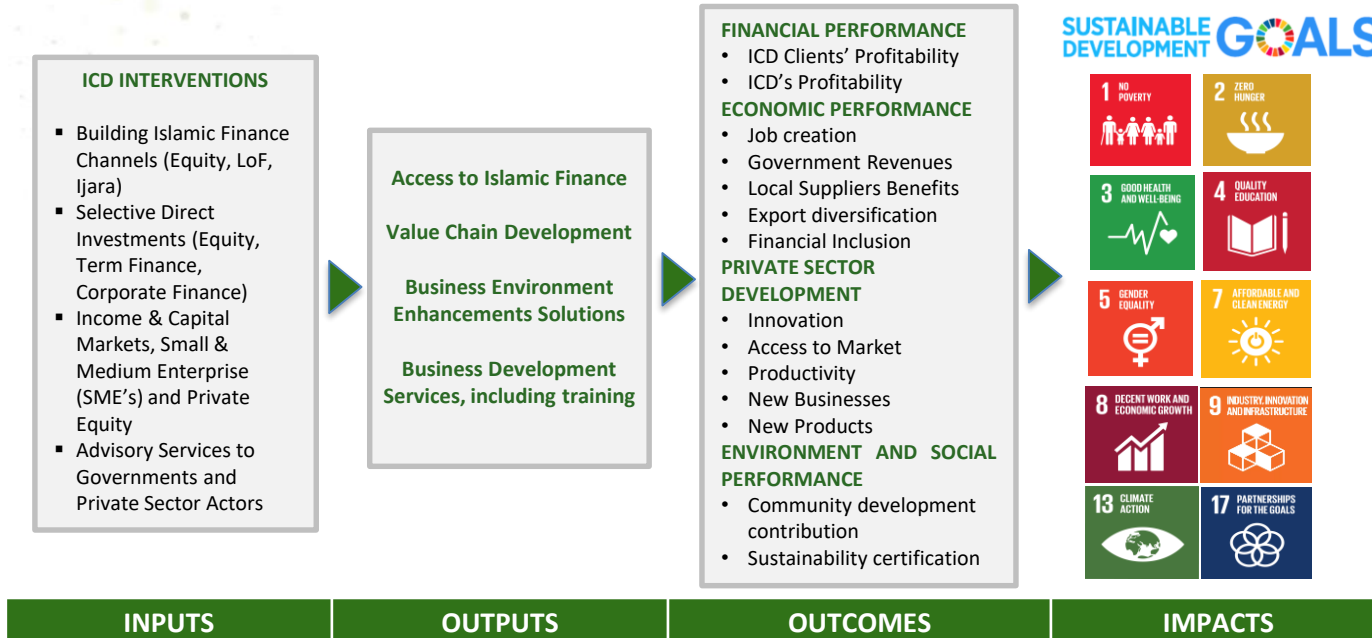


Purpose of the Assessing Development Impact

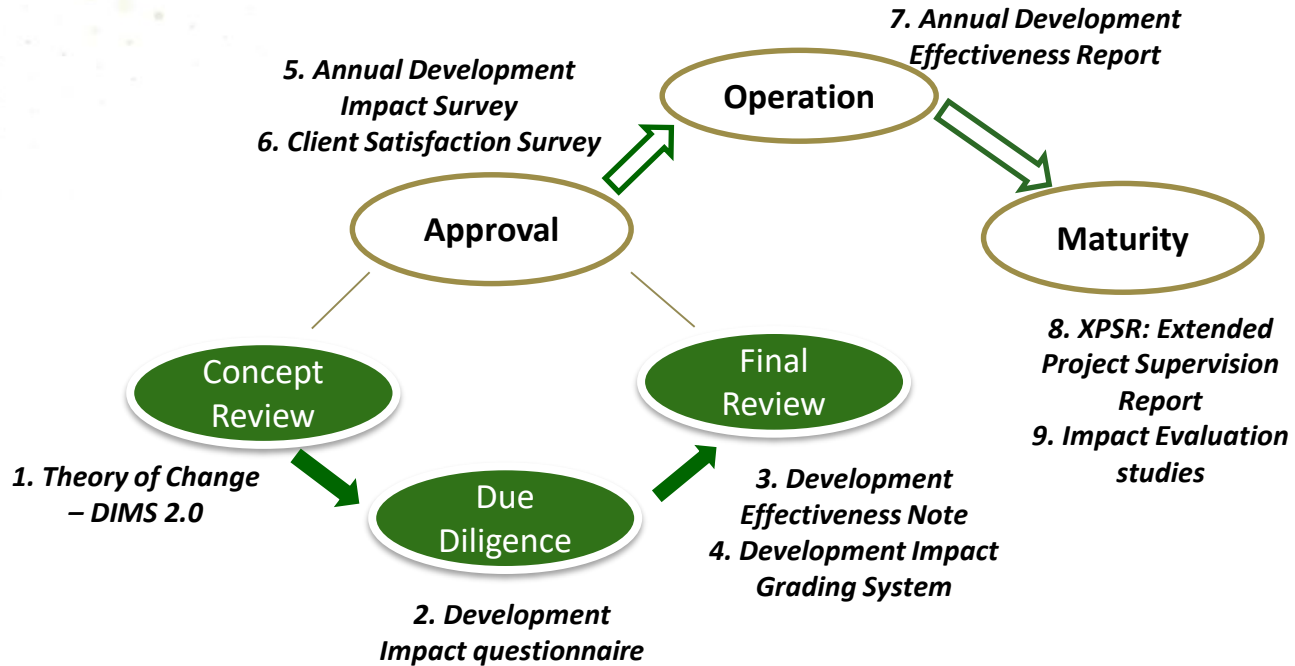
- ✓ **Accountability:**
Communicate the development outcomes of our interventions to the Board of Directors, the Member Countries and other stakeholders
- ✓ **Lessons Learned:**
Identify ways to continuously improve the development impact of our policies, strategies, programs, and projects
- ✓ **Sharing Knowledge:**
Exchange knowledge and increase awareness among ICD's staff



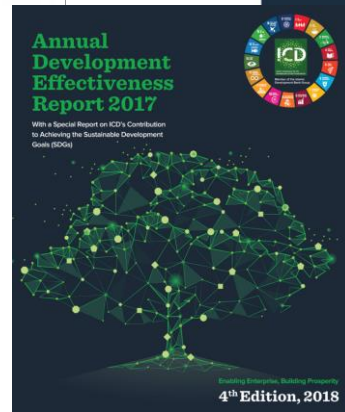
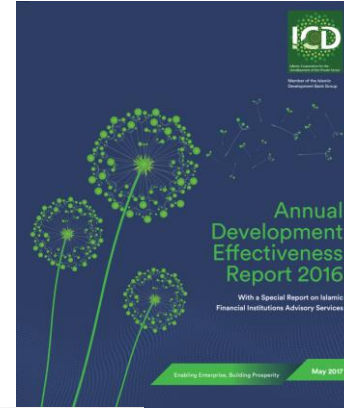
ICD's Theory of Change



M&E Products across Project Cycle



ICD's Annual Development Effectiveness Reports



Partners/Clients' Case Studies

44 Section 4 | A Special Report on ICD's Contribution to the Achievement of The Sustainable Development Goals (SDGs)

Case Study 1



Supporting Innovation: Rangpur Metal Industries Limited (PRAN-RFL Group) in Bangladesh

PRAN-RFL is the largest industrial group in Bangladesh. It comprises two different groups:

- PRAN for food items and,
- RFL for non-food items.

The PRAN Group commenced its operations in 1981 as a processor of fruits and vegetables in Bangladesh. As of 2017, the Group comprised of 17 entities, with a total of 46,000 employees. The company produces more than 400 food products. Its products are sold in Bangladesh and exported to more than 100 countries around the world.

In 1980, the RFL Group began manufacturing cast iron products with an initial objective to provide access to clean water and affordable irrigation materials for rural life improvement. Today, the Group comprises 12 entities with a total of 55,000 employees and produces a wide range of products including agricultural utilities, building materials, engineering utilities, electric/electronic, bicycles, cables etc.

The Rangpur Metal Industries Limited (RML) project falls under the RFL Group. Established in 2008, the company operates on the manufacturing, selling and trading of gas stoves, kitchen sinks, water pumps, taplon taps, electric cables, bicycle parts, metal furniture and so on.

In February 2015, ICD provided USD 20 million to finance RML capital expenditure to set-up the manufacturing factories for bicycles and cables. As a result, not only does RML produce traditional bicycles, but also electric bicycles.

The results of this operations were as follows:


- 3,394 direct jobs were created by the project, including 149 engineers
- 17% of the staff are female in the bikes line and 80% of the staff are under 30 years
- A total of 120,000 bikes units were exported to Europe in 2016
- USD 3.35 million were invested in community development (such as schools and hospitals)

The Project contributed to the following seven SDGs:



50 Section 4 | A Special Report on ICD's Contribution to the Achievement of The Sustainable Development Goals (SDGs)

Case Study 3



Connecting Emerging and Frontier Markets: SERBA, Malaysia

Serba Dinamik Group is one of the leading companies in Malaysia which provides fully integrated and specialized engineering services and maintenance to the oil & gas, petrochemicals and utilities industries.

The Group has diversified its products and services to various sectors including power generation & water and sanitation. It provides comprehensive package solutions in the areas of construction and fabrication, plant operations and maintenance (O&M), system integrator/packager and information technology solutions.

When ICD established its partnership with SERBA in 2016, the objectives of the partnership were:

- to support the regional expansion of SERBA in other member countries;
- to promote connectivity between member countries; and
- to build a story to market ICD's future deals.

ICD provided a USD 25 million financing facility to SERBA.

As of December 2017, these three objectives were fully met (See Box).

SERBA was able to mobilize additional funding of USD 134 million. This helped SERBA develop its overseas operations in Qatar and Bahrain. Subsequently, with the company's outstanding track record, SERBA was able to raise significant equity funding from Bursa Malaysia's main market through an IPO.

ICD's teams in the regional offices of Kuala Lumpur and Dakar played a critical advisory role to introduce SERBA to the African markets. They facilitated the connection with local investors and international financiers, which resulted in an EPCC contract of USD 70 million awarded to SERBA in Tanzania.

Moreover, ICD supported SERBA in fulfilling the criteria set by Bursa Malaysia Shariah Committee for public listed companies with a Sharia-compliant stock. The conventional borrowings for these companies must not exceed 33% of their total assets. As of 31 December 2017, SERBA's Islamic funding made-up approximately 83.48% of the total financing.

The Overall Development Outcome of the project was rated **"Highly Successful"**:

- **600 direct jobs** created at SERBA, including 52 engineers with 50% increase of the number of staff after ICD financing (216 new jobs in 3 years);
- **20% of the staff are women;**
- A total of **24.5 million cumulative work hours** without any loss Time injury in both Malaysia (10.8 million hours) and overseas (13.7 million hours);
- **Islamic Finance** represents **83%** of the total financing;
- **Training** program certified by City & Guilds for SMEs;
- **Market Expansion** to MENA and Africa;
- **Contribution to five SDGs:**



Source of the Statistics: Expanded Project Supervision Report (PPSR) for SERBA Dinamik in Malaysia

Gratitude of Participation

ICD Clients / Partners who completed the 2017 Development Effectiveness Survey



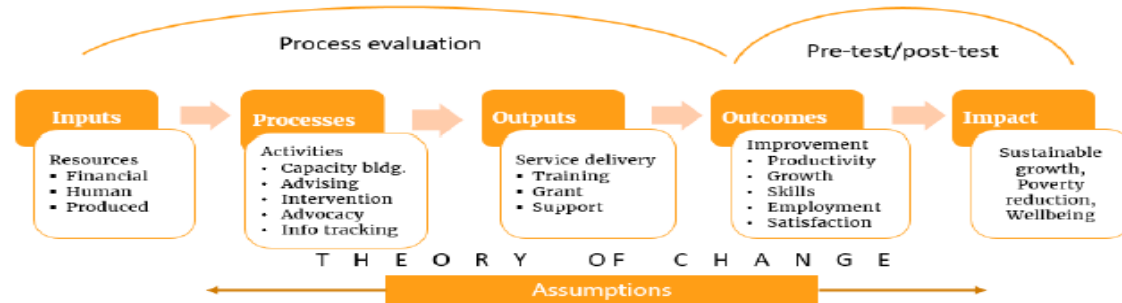
ICD's Innovation: The BRAVE Initiative



- ❖ ICD customized the advisory program for Industry and Business Environment Support (IBES) to enable us play an instrumental role in helping many of the most challenging regions
- ❖ Business Resilience Assistance for Value-adding Enterprises (BRAVE) was the first project initiated in this regard
- ❖ Designed through joint efforts between ICD and SMEPS, under the sponsorship of IsDB
- ❖ Funded by Deauville MENA Transition Fund with a budget of USD 9 million
- ❖ BRAVE combines value chain design principles, grant-matching schemes concepts for MSMEs and banking credit practices within an integrated framework that respond to the in-conflict challenges of the private sector.

Evaluation Methodology

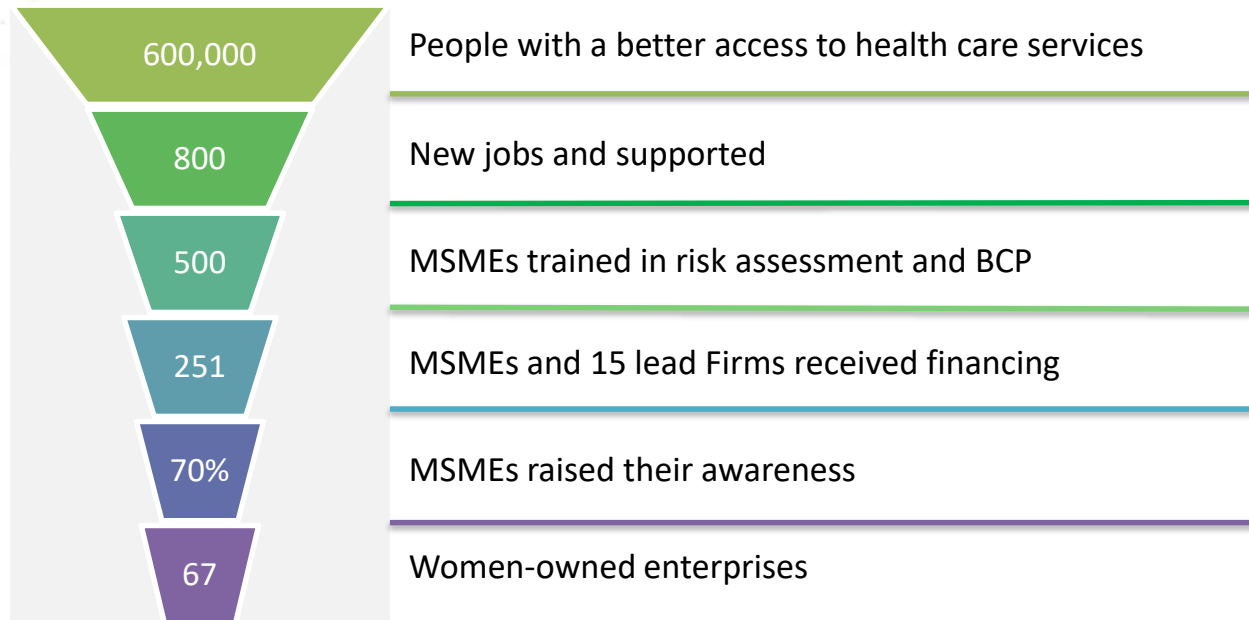
EVALUATION DESIGN



PRE-TEST/POST-TEST DESIGN



ICD's Innovation: BRAVE Results from Phase 1 Pilot



THANK YOU

