



IsDB Group and French Agency for Development strengthen collaborative efforts

Paris, France, 6 December 2016 – The Islamic Development Bank (IsDB) Group and the French Agency for Development (AFD) are set to sign a Memorandum of Understanding (MoU) that will enhance cooperation between IsDB and the Agency.

The President of IsDB, H.E. Dr. Bandar Hajjar, is on an official two-day visit to France on the occasion of AFD's 75th anniversary. He met with Chief Executive Officer of AFD, Mr. Rémy Rioux, at the French Ministry of Finance to discuss ways to enhance cooperation between the two entities.

At the meeting, Dr. Hajjar stressed the importance of IsDB's partnership with France and said that further coordination of bilateral efforts will strengthen development programs in the Bank's member countries. Dr. Hajjar and Mr. Rioux are soon expected to sign the MoU.

Dr. Hajjar is also scheduled to meet with several French Government officials to explore how the Bank can best provide support to the country's Islamic financial services sector.

France's Muslim population is approximately six million. However, the demand for Islamic finance does not come only from French Muslims.

Recent reports indicate that requests from non-Muslim Europeans for Islamic finance products, particularly Sukuk, is registering an 80 per cent increase. It is now a popular investment vehicle, as more financial institutes enter the Islamic finance sector.

Islamic finance is based on fair partnership principles that deal with profit and risk-sharing, which marks the road to real development and justice in society.

More than 50 financial institutes and banking windows operating on Shari'ah compliant principles are reportedly operating across Europe. Studies indicate that Islamic Banking Capital is expected to reach US \$6 trillion by the year 2020, registering a 6.6% annual growth rate.

The success of Islamic Awqaf (endowments) has encouraged a large number of regional and international development institutions to consider using the successful Waqf experiences in IsDB member countries, especially the experience of Awqaf Department in Kuwait.