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THE OPEC FUND
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DEVELOPMENT



Women: Agents of the post-2015 agenda

The girl who dreamed of school
Ministerial Council meets in Vienna
OFID sets up landmark agreement with Argentina
Why local currency matters for development

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Women's empowerment: *A watershed moment*

Women represent more than one-half of humanity. They are the bearers and raisers of children, the caregivers, homemakers and workers. Yet, because of persistent gender inequalities, overwhelming numbers of the female race remain socially, economically and politically disenfranchised.

Granted, the imbalance is not as marked as fifteen years ago. Thanks to the MDGs and their pledge to “*promote gender equality and empower women*,” important progress has been made, particularly with regard to life expectancy, school enrolments and labor force participation. However, these accomplishments cannot hide the fact that significant and stubborn disparities remain.

One of the greatest successes of the MDGs, for instance, is global parity in primary education. But, even this achievement has its shortcomings: several countries still trail in the equality stakes, while girls continue to account for the majority of the 58 million children not attending school.

Similarly, the 45 percent reduction in maternal deaths since 1990 is to be celebrated. But it is overshadowed by the 289,000 women who died in developing countries in 2013 from complications of pregnancy and childbirth. This was 14 times higher than in developed regions.

In the workplace, women are still the objects of discrimination and exploitation. They are more likely than men to be found in the informal sector, where there is little job security and no social benefits. And they earn only a tenth of the income of men.

Women are also disadvantaged in other areas. They bear the brunt of water and energy access challenges, both of which compromise health and stop girls from going to school. They own just one percent of the means of production, and they are widely excluded from positions of authority and influence, whether in the community, the workplace or in government.

Perhaps the most frustrating aspect of such entrenched gender inequality is the fact that, given the opportunity, women have the potential to be a formidable driving force for poverty alleviation and sustainable development.

The World Bank has described investment in women as “smart economics,” stating that productivity per worker could soar by up to 40 percent, if all forms of discrimination against female workers were eliminated.

In a similar vein, the UN Food and Agriculture Organization (FAO) estimates that giving women farmers equal access to productive resources could result in yield increases of up to 30 percent.

Earning potential, however, is just one part of the equation. As soon as women have a regular income, they become socially as well as economically empowered, enjoying greater autonomy and increased bargaining power within the household. What’s more—and as borne out by studies—when women have access to money, they spend it on their children.

At OFID, we consider gender equality and women’s empowerment to be a crucial development objective in its own right, as well as a basic human right. In women and girls, we see the primary guardians of future generations; the catalysts for truly transformational economic, social and environmental change. Which is why, in all our operations, we take a gender-sensitive approach wherever possible, with the aim of helping women and girls overcome the many hurdles that bind them to a life without opportunity or voice.

And we don’t just preach equality; we practice it as well, with 96 women—several of them in senior positions—in our staff complement of 188.

As we look beyond the MDGs to the new Sustainable Development Goals (SDGs), OFID fully supports the inclusion of a goal dedicated exclusively to women and girls. We applaud the stronger language of SDG5, which unambiguously pledges to “achieve” rather than just to “promote” gender equality and women’s rights. And we commend the explicitness of the sub-goals, which address issues such as violence against women, harmful cultural practices, and unpaid care and domestic work.

But above all, we welcome the consensus that women have a pivotal role to play across the entire post-2015 agenda; that the aspirations of the agenda just aren’t achievable without recognizing the needs and rights of the greater part of the human race.

Through the SDGs we have a once-in-a-lifetime opportunity to root out the deep-seated causes of discrimination once and for all and stop their reproduction across generations. If the SDGs achieve nothing else, this in itself would be one of the greatest watersheds of the twenty-first century. ■



Women: Agents of the post-2015 agenda

There is widely accepted evidence that closing the gender gap and ensuring that the human rights of women are respected will contribute to higher economic growth and better living standards. Here, the *Quarterly* examines the critical role of women in the post-2015 development agenda.

BY STEVE HUGHES

Gender equality is more than a matter of social justice—it is a fundamental human right. But equality between men and women also makes sense from many other perspectives.

Empowering women has been central to achieving the Millennium Development Goals (MDGs). In the 2014 MDGs Report, United Nations Secretary-General Ban Ki-moon writes that the MDGs “have made a profound difference in people’s lives.” MDG3: *Promote gender equality and empower women* has supported progress toward equality in terms of life expectancy, school enrolments and labor force participation.

Some of the statistics are encouraging. In Southern Asia, for example, only 74 girls were enrolled in primary school for every 100 boys in 1990. By 2012, the enrolment ratios were the same for girls and boys. By a similar token, in 46 countries around the world, women now hold more than 30 percent of seats in national parliament in at least one chamber. The MDG target of halving the proportion of people without sustainable access to safe drinking water has been achieved five years ahead of schedule, releasing millions of women from the daily drudgery of finding and fetching water to satisfy household needs.

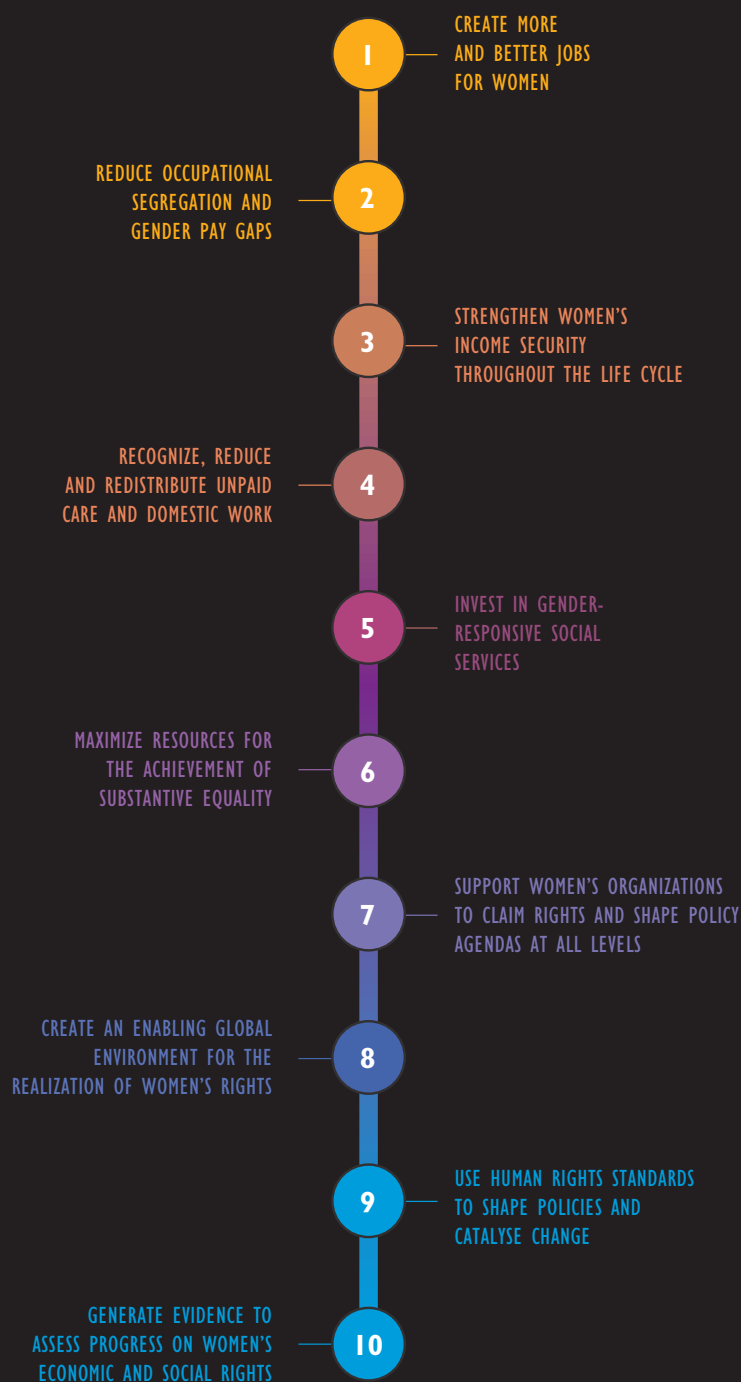
However, it seems that for every positive, there is at least one negative. In sub-Saharan Africa, Oceania and Western Asia, for example, girls still face barriers to entering both primary and secondary school. Similarly depressing is the evidence that shows women in Northern Africa hold less than one in five paid jobs in the non-agricultural sector. The 45 percent reduction in maternal deaths since 1990—is overshadowed by the fact that an estimated 289,000 women died in 2013 due to complications of pregnancy and childbirth. That year, the maternal mortality rate in developing regions was 14 times higher than in developed regions.

Post-2015: the road ahead

Looking beyond the MDGs to the post-2015 development landscape, Sustainable Development Goals (SDGs) will serve as the core framework. Today, the good news is that the international consensus on the need for achieving gender equality seems stronger than ever.

Goal five of the planned SDGs relates specifically to women: *Achieve gender equality and empower all women and girls*. Its sub-goals are explicit, and include targets such as: “recognize and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies and the promotion of shared

10 PRIORITIES FOR PUBLIC ACTION



SOURCE: UN Women Report "Progress of the world's women 2015–2016"

responsibility within the household and the family as nationally appropriate.”

Similarly encouraging is the UN Secretary-General’s report *The Road to Dignity by 2030: Ending Poverty, Transforming All Lives and Protecting the Planet*, which identifies six ‘essential elements’ for delivering the SDGs. The very first is ‘People—to ensure healthy lives, knowledge and the inclusion of women and children’. The report states that while “we have made important progress in recent years, addressing gender inequality and realizing women’s rights remains a key challenge in all regions of the world.”

There is now a definite road map for the future. But how far have we come, and how far do we still have to go?

Women, work and economic empowerment

Work promotes equality for women, so long as it’s of the ‘right’ type. Work for women (and men) needs to be compatible with any unpaid care responsibilities, time for leisure and learning, and provide earnings to maintain an adequate standard of living. Both sexes must also be treated with respect and dignity at work. In *Transforming Economies, Realizing Rights: An Agenda for Action*, the UN Women organization argues that this type of employment remains scarce. The vast majority of women still work in insecure, informal employment.

Measures are also needed—and goal five of the proposed SDGs may in time help with this—to challenge the devaluation of ‘women’s work’ that leads to pay inequality and gender stereotyping. UN Women argues that labor rights and social protection should cover those in informal employment, while investments in basic infrastructure—such as safe, secure vending spaces in

cities—and efforts to increase rural women’s access to markets are also required. Opportunities for women, it argues, are also limited by gender stereotypes and discriminatory practices.

Investing in women’s economic empowerment is vital to end poverty and promote inclusive economic growth. The World Bank, which has recently announced that it is preparing a new gender strategy (see box), says productivity per worker could soar by up to 40 percent by eliminating all forms of discrimination against female workers and managers.

A regular income can help women become socially as well as economically empowered. UNICEF argues, for example, that women’s status and bargaining power is important to decision-making within the household. This influences how resources are channeled to children both in terms of nutrition and health. Secondly, women’s ability to access and control the use of resources for their own health and wellbeing impacts significantly on their children’s survival, health and nutrition.

Women, agriculture and food security

An important employer of women—and as such, a potential economic and social empowerer—is the agricultural sector. According to the FAO, on average, women comprise 43 percent of the agricultural labor force in developing countries. This figure ranges from around 20 percent in Latin America to 50 percent in parts of Africa and Asia, and exceeds 60 percent in a few countries.

Women have the potential to contribute production gains that could make a significant difference to the millions of people that remain hungry. But the FAO’s website shows that women in agriculture and rural areas still ►

“Closing the gender gap in agriculture would generate significant gains for the agriculture sector and for society. If women had the same access to productive resources as men, they could increase yields on their farms by 20–30 percent.”

Food and Agriculture Organization of the United Nations (FAO)

Banking on equality

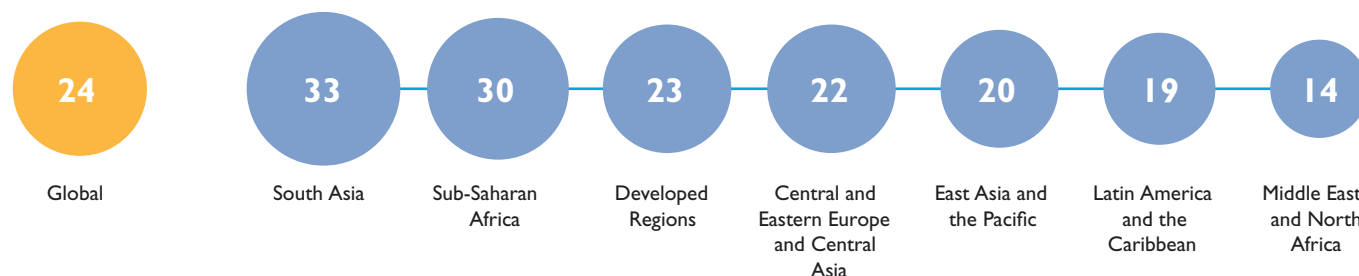
The World Bank Group (WBG) recently announced that it is preparing a new gender strategy for financial years 2016–2021. In its concept note, the WBG states that gender equality is central to poverty reduction and inclusive growth.

WBG President Jim Yong Kim, is quoted as saying:

“When countries value girls and women as much as boys and men; when they invest in their health, education, and skills training; when they give women greater opportunities to participate in the economy, manage incomes, own and run businesses—the benefits extend far beyond individual girls and women to their children and families, to their communities, to societies and economies at large.”

Unadjusted gender pay gap, percentage by geographic region

→ Globally, women earn on average 24 percent less than men, with variation across regions



SOURCE: UN Women Report "Progress of the world's women 2015–2016"

"Women in sub-Saharan Africa spend 40 billion hours per year collecting water. This is equivalent to a year's worth of labor by the entire workforce in France."

United Nations
Development Program
(UNDP)

◀ have one thing in common across various regions: they have less access than men to productive resources and opportunities. This, the FAO warns, imposes costs not only on women, but on society as a whole.

Women, energy, health and the environment

Just as a lack of access to productive resources thwarts women's opportunities in agriculture, without access to affordable and reliable energy, women can be over-burdened by time-consuming chores. Fetching water and fuel, and cooking practices that are threatening to health, are significant obstacles to empowerment. Modern energy solutions help them use their time far more productively, by taking up paid employment, for example, or engaging in other income-generating activities. It also gives them more time to raise and care for children.

Energy is also crucial to healthcare, especially during pregnancy and childbirth. Without electricity, rural clinics are hardly able to provide basic antenatal care, let alone deal with emergencies. The issue is recognized by the UN Decade of Sustainable Energy for All (2014–2024), which chose women and children's health as the focus of its first, two years.

In line with this, women's traditional responsibilities as water and fuel gatherers (and food growers) mean they are more likely to be affected by environmental change than men. The UNDP argues that poor women are disproportionately impacted by increasingly longer droughts, more severe storms and flooding, species depletion, soil degradation, deforestation and other negative environmental changes.

Stat shot

- Over **65%** of the people living in poverty worldwide are female.
- Women comprise more than **50%** of the global population but own only **1%** of the world's wealth.
- Women receive just **5%** of the agricultural extension resources of men.
- Women produce **60–80%** of the household food supply in most developing countries.
- **58%** of healthcare facilities in sub-Saharan Africa have no electricity.
- In developing regions, only **50%** of all pregnant women receive the recommended amount of antenatal care.
- In sub-Saharan Africa, **71%** of the burden of collecting water for households falls on women and girls.
- Every hour, **50** young women are newly infected with HIV.
- Globally, only **1 in 5** parliamentarians is female.

Sources: FAO, ILO, UN, UNAIDS, UNDP, UNESCO, UNICEF, WHO



PHOTO: IFAD/ASAD ZAIDI

Members of a female community organization in Pakistan meet to discuss how best to use the financial resources they have collected.

However, because of their centuries-old knowledge of land management principles, women are critical to finding local solutions to environmental challenges. The voices of women should be heard loud and clear when it comes to planning environmental policies, programs and finance. Moreover, these should be designed to support men and women in the face of more severe weather patterns and other environmental challenges.

Actions speak louder than words

As we look beyond the MDGs to the post-2015 development agenda, focusing on gender equality and women's rights as a stand-alone sustainable development goal is a must. Narrowing gender gaps and ensuring they do not pass onto the next generation requires action to tackle the causes, including the social, behavioral and cultural norms that limit women's empowerment.

Thankfully, the post-2015 development framework appears to offer a unique opportunity to build on the achievements of the MDGs and do just this. As we have seen, gender equality and women's rights feature as stand-alone targets in the SDGs, and there is widespread consensus that promoting the needs, rights and role of women is central to achieving the other objectives. Put simply, the existing framework and will (political and otherwise) seem to suggest we may see significant progress during the next fifteen years. But as we all know, actions speak louder than words. ■



Steve Hughes is a journalist and copywriter based in the UK. His background is in economics and financial journalism, but he has also spent time writing for press offices and internal communications departments. He was an editor and speechwriter with OPEC between 2008 and 2012, but now works on a freelance basis.



“In many poor countries, the greatest unexploited resource isn’t oil fields ... it is the women and girls who are not educated and never become a major presence in the formal economy.”

Nicholas Kristof and Sheryl WuDunn,
authors of “Half the Sky”

PHOTO: ISSOUF SANOGO/AFP/GETTY IMAGES

Female literacy as a tool for lifelong development

Despite numerous international and regional legal instruments in support of the right to education, over half a billion women globally are unable to read or write. Here, the *Quarterly* examines the root causes of this gap, its impact on development, and asks what needs to be done for female literacy to become the norm, rather than the exception.

BY NASTARAN SHARIF

Literacy is not a privilege; it is a recognized right, inherent in the right to education, as embedded in the 1948 Universal Declaration of Human Rights. This right has since been reaffirmed in numerous instruments that have transformed moral commitments into solid legal obligations. These legal obligations are backed up by key global political commitments.

Fifteen years ago, at the UN World Education Forum in Dakar, Senegal, 164 governments pledged to achieve education for all by 2015. They were joined by development agencies, civil society and the private sector. Goal 3 of the internationally agreed Millennium Development Goals (MDGs), undertook to “promote gender equality and empower women.”

Today, in the final months before the MDG target-date, the results are mixed. While progress has been encouraging, evidence shows that there are still wide gaps within and between countries. According to UNICEF, girls still account for 55 percent of the out-of-school population in 2015, and there remains an urgent need for ongoing investment in female capacity building. Female illiteracy remains among the greatest plagues affecting humanity today.

Considering that we are talking about a basic human right, this situation is hard to understand. Even more so, considering the socioeconomic implications. As the World Bank points out: investing in women is “smart economics.” Failure to do so is to disregard the potential of a significant part of the human race to contribute to development.

Overtaking the status quo

Though the understanding of literacy varies, UNESCO defines a literate person as “someone who can both read and write and understand a short, simple statement on his or her everyday life.” According to a study by the UN specialized agency UN Women, nearly one-fifth of the world’s population is illiterate. Of some 876 million illiterate adults, almost two-thirds are women.

Several factors—ranging from static gender roles and institutional or economic agendas to simple unawareness of the benefits of female literacy—contribute to this high number.

In many cultures, female education is considered impractical. Parents do not see the benefit of educating girls, as the prospect of marriage removes the need for self-attainment. The view persists that it is more beneficial to educate a male child, as he will remain in the family as a provider.

Another factor working against girls is the cost of education, which despite some progress is still not free in many developing countries. Many poor families do not send their daughters to

school because they cannot afford to do so. Others fear threats of violence, which the girls may face on their long journey to school and back.

Dr Lilly Sucharipa, president of the Austrian national committee of UN Women, says that a change in approach is needed. “Although the MDGs brought quite some progress, it is not enough. Women’s empowerment and gender equality can only be reached if women can benefit from their right to education on an equal basis and on all levels,” she told the *Quarterly*.

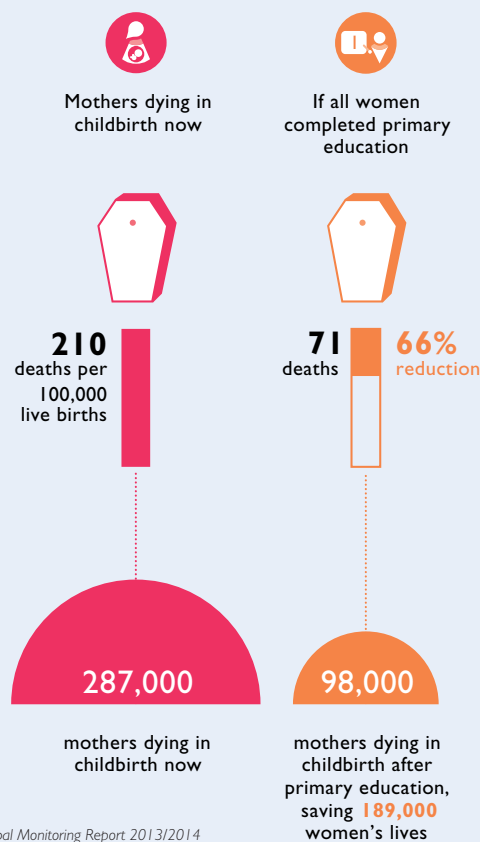
Women hold half the sky

In a globalized world that revolves around the acquisition and application of knowledge, literacy is the passport to a better quality of life. It is a right in itself, but it also allows the pursuit of other human rights. The ability to obtain ▶

A MATTER OF LIFE AND DEATH

Educated mothers are less likely to die in childbirth

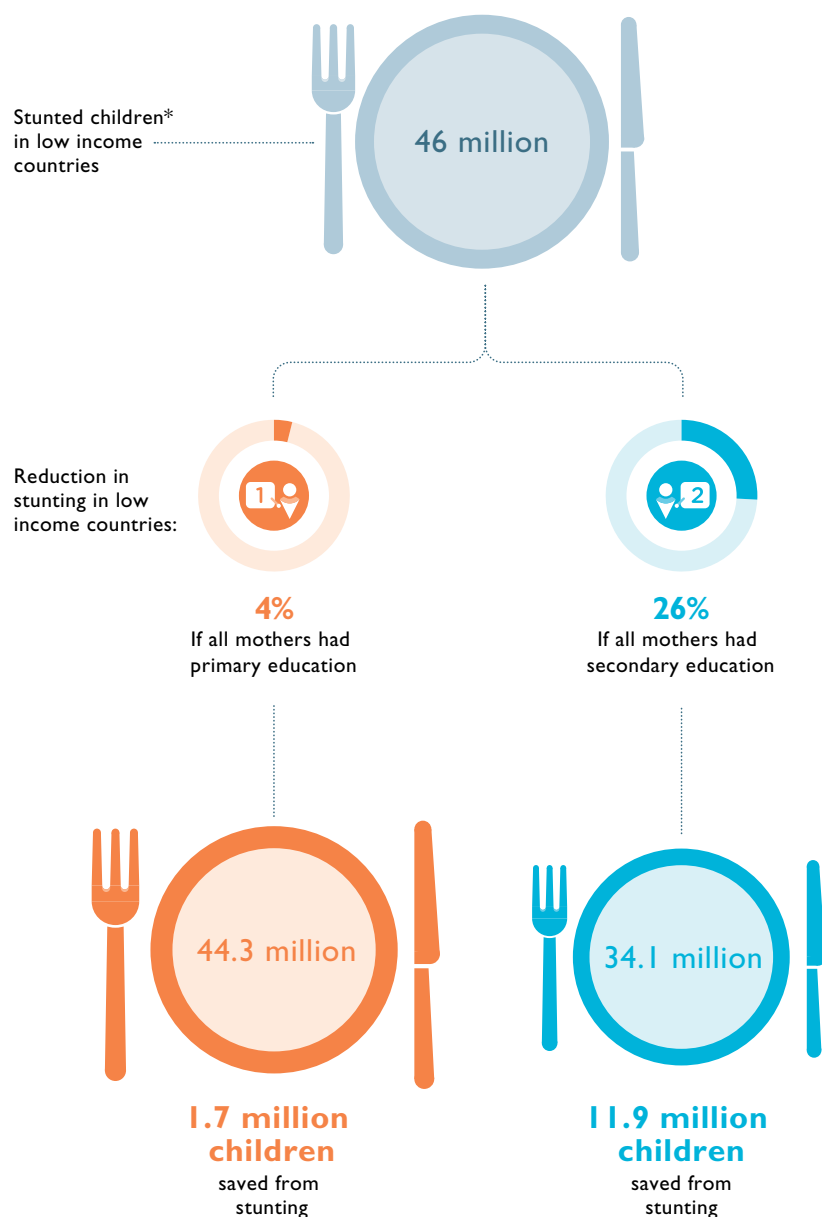
Globally



Source: UNESCO EFA Global Monitoring Report 2013/2014

EDUCATION KEEPS HUNGER AWAY

Mothers' education improves children's nutrition



*Stunting is a manifestation of malnutrition in early childhood.

Source: UNESCO EFA Global Monitoring Report 2013/2014

knowledge is inevitably linked to a woman's right to self-determination and to the health and wellbeing of her family.

Amartya Sen, author of the book *"Development and Freedom,"* touches upon this issue and explains the positive impact literacy has, for instance, on under-five mortality. Sen presents compelling arguments: with greater exposure to information on the symptoms of disease, a literate woman is more likely to apply precautionary measures to avoid getting ill. Likewise, understanding the available information on treatments creates a higher incentive for women to seek out healthcare for themselves and their children.

Even if the humanitarian argument fails, economic rationale does not. Numerous studies from development agencies as well the private sector confirm that the challenges of economic growth, job creation and inclusion are closely intertwined.

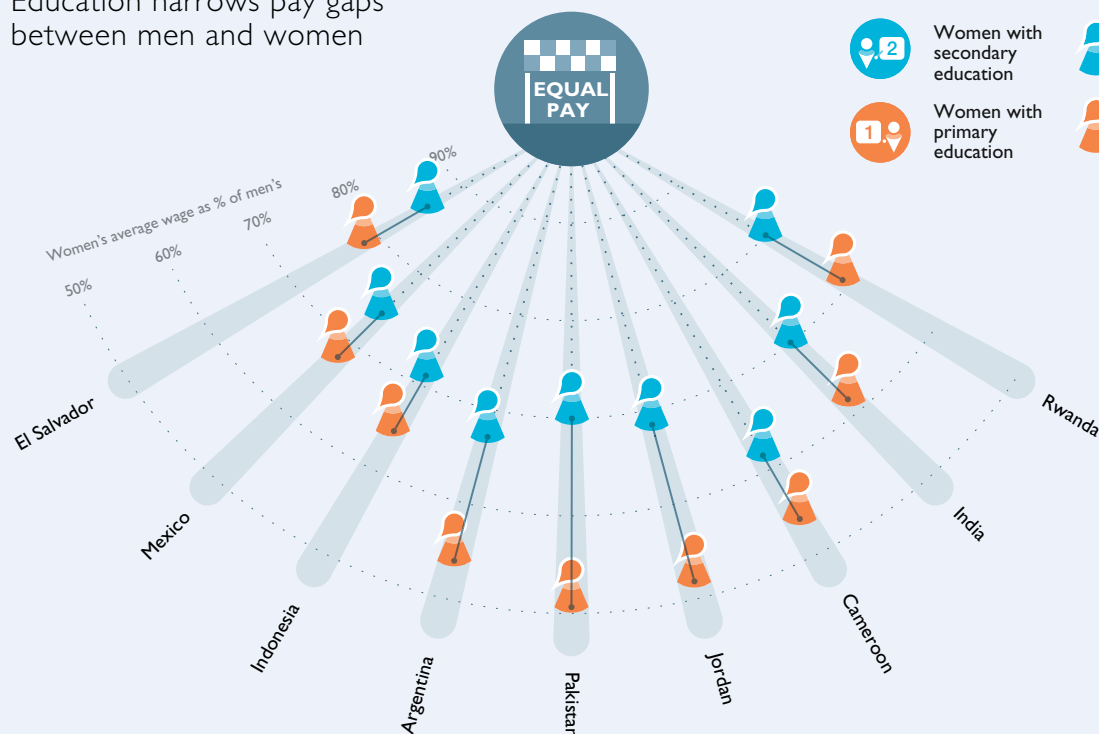
Countries and individuals without access to education bypass the knowledge necessary to develop and are predestined to fall further behind. Curbing the potential of women to fully engage in their community not only reduces their social value but also their potential to become a source of economic growth. In Kenya, for example, women own 90 percent of micro and home enterprises but receive only 10 percent of available credit.

A study by Goldman Sachs reveals the potential economic impact of female education on the BRICs (Brazil, Russia, India, China, South Africa) and the Next Eleven (N-11) rapidly growing economies. According to the research, greater investment in female education could raise GDP growth by about 0.2 percent per year. An increase in female literacy rates, as a result of a decreased gender gap, could push national income per capita as much as 14 percent higher than the firm's baseline projections by 2020, and as much as 20 percent higher by 2030.

The bottom-up approach of the World Bank provides further insight: each additional year spent at primary school may increase a woman's income by between 15 and 25 percent. The income of a man would only increase by up to 5 percent. Moreover, there is a direct correlation between the growth of net enrolment of girls in secondary school and a country's GNI per capita. Although women invest on average 90 percent of their income back into their families, only two cents of every one US dollar of international development assistance are targeted at girls.

WAGE GAPS

Education narrows pay gaps between men and women



Source: UNESCO EFA Global Monitoring Report 2013/2014

How to create a norm

So where do we go from here? Looking forward, the successor framework to the MDGs, the Sustainable Development Goals (SDGs), offers renewed hope. Drawn up to respond to the remaining and new challenges of the post-2015 agenda, the SDGs include Goal 4: “ensure inclusive and equitable quality education ... for all.”

A report of the Organization for Security and Cooperation in Europe (OSCE) points to gender equality and women’s rights as key to addressing the unfinished business of the MDGs. The OSCE advocates a holistic approach to the new agenda, whereby gender-specific objectives are incorporated across other goals.

Dr Manfred Nowak, professor of international law and human rights at the University of Vienna and former UN special rapporteur on torture, agrees with the OSCE’s assessment: “Female literacy should cut across all elements of the SDGs,” he stated.

Speaking to the *Quarterly*, Nowak emphasised that universal female literacy could have a “multiplayer-effect, creating and achieving more wide-reaching targets and acting as a more powerful stimulus for empowerment action.”

He noted, however, that although the benefits of female literacy were visible in data collection and reporting, access to such information was meaningless without the political will of states for corresponding action. Such action would have to include steps to change the deep-rooted cultural norms that prevent girls from attending school.

“Crucial as international support is,” Nowak stressed, “governments must promote, develop and apply national policies and programs. This is the only way to make use of the vast untapped resource that women represent.” While agreeing with Nowak, Lilly Sucharipa pointed also to the question of the affordability of education. “The SDGs can only be successful, if the political will exists to boost the education of girls and the necessary financial means are available to enable families to send their daughters to school,” she argued.

Given the humanitarian, economic and societal rationale, one can only hope that the SDGs can succeed where the MDGs failed and that all girls and women will finally claim literacy as an unassailable legal right. It’s been a long time since 1948—three generations to be exact. The time for change is now. ■



Ismahane Elouafi, director-general of the Dubai-based International Center for Biosaline Agriculture (ICBA), is a prominent genetic scientist, an unashamed feminist and an inspiring role model for women everywhere. In this wide-ranging interview, she emphasizes the need for sweeping change to empower women to claim their voice and play an equal role in society.

BY AUDREY HAYLINS

Yes, women can have it all

For an Arab woman who has made her mark in a male domain—and has a clutch of awards to prove it—Ismahane Elouafi is delightfully modest. She may be one of the Islamic world's most influential women scientists, but she is just as proud of her role as a homemaker and mother to two young daughters.

She is on a flying visit to OFID—a founding partner of ICBA—to present her new-look organization and explore ways to expand cooperation. When she learns that the July issue of the *Quarterly* will have women as its main theme, she doesn't hesitate to agree to an interview.

We start by talking about her professional achievements, which she admits are hard won. "Wherever I went, I had to work harder to prove myself, and often not just once, but twice or three times," she says. "Eventually, I made a conscious decision to stop worrying about what people thought of me and just concentrate on my job."

Dr Elouafi strongly condemns the fact that working women are constantly put under the microscope—both in Arab and Western societies—with every aspect of their performance scrutinized. "This happens not just man to woman but woman to woman as well and is a culture we simply have to change," she argues.

"It pains me to say it," she says with a mock grimace, "but I have reached where I am today not because I'm a woman but in spite of being a woman."

Education opens doors

Moroccan by birth, Dr Elouafi credits her progressive parents—her father was a professor—for instilling in her the importance of education, especially in a country where, if you weren't part of the rich elite, academic qualifications were the only way to gain influence and make a difference.

"We were six sisters, no brothers, so my dad was very pro-women. He encouraged us all to have opinions and to express them, and both he and my mum really pushed us to do well at school."

Later, as an undergraduate, the young Ismahane earned a reputation for being outspoken and was soon a prominent figure in the political life of her university. "Both major parties tried to recruit me, but I felt neither had the right view for me. Even at that age, I had a very personal philosophy and was determined to stick to it."

Fast-forward twenty years and this self-assurance stood her in good stead when she joined ICBA in 2012.

"I was the first female head of the Center and much younger than all who had been before me, so naturally people were curious. I had the feeling that they were looking at me and waiting for a disaster to happen," she recalls with a smile.

As it turned out, her appointment has been a resounding success, and not just because of her professional credentials.

"I was able to become part of the team very quickly by showing a genuine interest in people's needs, challenges and ambitions for the Center. This way I was seen to be listening and caring, instead of just sweeping in and dictating how things were going to be," she explains.

Her approach couldn't have had better results. Through consultations with staff and with ICBA's stakeholders, Dr Elouafi has crafted a new vision and mission for the Center and set it on a new, strategic course that addresses the closely linked challenges of income, water, nutrition and food security. And all this in just a couple of years. What's more, she is using her female perspective to incorporate a focus on women.

Women farmers and climate change

In her field of expertise, Dr Elouafi admits to being both sad and angry that although women are responsible for up to 80 percent of agricultural production in developing countries, it is largely the men who pocket the profits.

"This is something we have to change, because we know for a fact that putting women in charge of household finances has an impact five

times greater than when men hold the purse strings. A woman will spend the money on her kids—it's intuitive."

She continues: "A woman should know that if she is cultivating the land, she can sell the produce and use the proceeds for the good of her family. We should help her do the economics and take that responsibility as well. It's a very cultural thing and extremely difficult to change, but it has to happen," she insists.

Through her work at ICBA and experience gathered in other agricultural research institutes, Dr Elouafi is keenly aware of the need to get women farmers on board when it comes to implementing strategies for climate change mitigation, adaptation and sustainable development.

Crop diversification, she points out, is the key to climate change adaptation for farmers in marginal environments. "But it's a process that has to be done slowly, because no one knows the land better than the people who have worked it for generations. And no one is closer to the land than women, who live on it day to day and work it through know-how they got from their ancestors."

The challenge for organizations like ICBA, she explains, is the social and cultural mores that require her field teams to go through the male head of household. "We do get to the women in the end, but usually not until the project is well advanced."



"... I have reached where I am today in spite of being a woman."

Ismahane Elouafi

What is ICBA?



ICBA is a not-for-profit, international center of excellence for research and development in marginal environments. It was established in 1999 by the Islamic Development Bank, OFID, the Arab Fund for Economic and Social Development and the Government of the United Arab Emirates.

The Center has identified five innovations that form its core research agenda: assessment of natural resources; climate change adaptation; crop productivity and

diversification; aquaculture and bioenergy, and policy analysis. ICBA is working on a number of technology developments including the use of conventional and non-conventional water (such as saline, treated wastewater; industrial water and seawater); water and land management technologies; remote sensing and modeling for climate change adaptation.

OFID has provided over US\$2.5m in grant financing to ICBA. These resources helped support the establishment of the Center, including an irrigation system, and a number of specific research programs.



Through ICBA, Dr Elouafi is working to attract more women scientists into agricultural research.

Plugging the science gender gap

◀ ICBA has found that one way of getting around this is to have more women scientists in the field. Central Asia, where the Center's predominantly female scientists have developed a close working relationship with women farmers is a case in point. But this is the exception rather than the rule—a status quo that Dr Elouafi is eager to overturn.

As a first step, she is moving to attract more women into agricultural research—and simultaneously swell the modest cadre of female scientists at ICBA—by setting up a fellowship program for young Arab women scientists. The program, which will target the Middle East and North Africa region, will help develop proficiency among women scientists in generating innovative solutions for rural stakeholders in marginal environments.

"There remain huge gender disparities in my line of work and in my part of the world," Dr Elouafi states with frustration. "Women are both underrepresented and underserved and, since the Arab Spring, I see that they have disappeared even more from the scene. So instead of moving forward, we are moving backward."

In addition to education, which she considers paramount, Dr Elouafi is convinced that religious leaders also have an important role to play in getting women's empowerment back on track.

"I've seen for myself how much influence religious figures have in many parts of the world, be it Muslim or non-Muslim," she says. "By preaching respect for women, they have the power to shift norms and conventions and help disseminate the message that women need to be part of the change process."

That, however, is one battle Dr Elouafi will leave up to others; her hands are full with ICBA and, of course, her family. Which reminds her, she says, glancing at her watch: she has a plane to catch and two little girls eagerly awaiting her return home.

Accomplished scientist and leader she may be, but at the end of the day, Dr Elouafi, Director-General of the International Center for Biosaline Agriculture, is just like every other working mum. ■



The girl who dreamed of school

An activist educator, a CNN hero, a National Geographic emerging explorer, named by Newsweek as one of 150 women who shake the world, and among the most inspiring people delivering for girls and women—**Kakenya Ntaiya**, recipient of the 2014 OFID Annual Award for Development, welcomed a team from OFID to the center she has built in her Kenyan village dedicated to educating young Masai girls.

BY REEM ALJARBOU

At the age of 12, Kakenya Ntaiya attempted to make a deal with her father and village elders: to agree to female circumcision in exchange for being allowed to go to high school. It was a hard negotiation in a culture where education is deemed less valuable than agriculture and pastoring, which are central for survival.

As the first born of eight children, Kakenya shouldered great family responsibilities. Already engaged to be married at the age of five, she knew that education was her key to greater freedom. “Our culture tells girls to look down, not to ask questions, and that at 13 you must leave school and begin life as a wife and a mother,” she told us.

Kakenya continued her education and was successful, and renegotiated with her

village elders to do what no Masai girl had ever done: continue her studies in a college in the United States. Years later, she returned home with a doctorate in education from the University of Pittsburgh to found the Kakenya Center for Excellence (KCE), an all-girls primary boarding school in her village of Enoosean in Kenya’s Masai region.

To realize her dream, Kakenya believed that KCE should encompass more than just getting girls to school. It should provide them with an education that would enable them to become leaders within their community.

The center opened its doors in 2009, with 32 students. Since then, 232 girls in grades 4–8 have received life-altering edu-

cation and leadership training. As part of their community outreach, over 300 girls from 41 other schools have also been trained through KCE’s leadership camp demonstration programs.

An exceptional impact is that all 26 graduates in 2015 were accepted into high school. This is a remarkable achievement, considering that the majority of girls admitted into first grade do not know how to read and write. Even more impressive, the center’s eighth grade students scored fourth place out of 526 schools in the country’s national exams. Kakenya said: “Parents could never have imagined these results, but when it happens, they begin to believe in our mission.”



◀ The center focuses on many of the challenges that Kenya faces in girls' education. For young Masai girls, the principal obstacle is the cultural importance of marriage, predominantly at a very early age. Currently, one-quarter of all Kenyan girls younger than 15 years are married. At 90 percent, the Masai community has one of the highest rates of child marriage in the world.

"Are you married? Do you have a son?" eighth-grader Evelyn Anhui asked a member of the all-female OFID team. Kakenya later explained that the young girls could not imagine that a mother could be edu-

cated and have a career at the same time. "They are told that they are only wives and mothers, and that they can never study or have a career," Kakenya emphasized.

She continued: "We talk a lot about leadership and emphasize building individuals. When the girls come to us they are very shy; we give them confidence to believe in themselves, and to believe in their dreams and that they can actually achieve them."

Kakenya's dedication towards this cause is evident in the girls' abilities and their attitude towards change. "Kakenya's

One Planet Earth One People

The team that visited KCE conducted a one-day workshop on sustainable development for teachers and grade eight students. Several teachers from surrounding schools and members of KCE's board also attended. The main teaching tool was OFID's children's book, *One Planet Earth One People*, which introduces the main themes of sustainable development.

The interactive educational event set out to introduce the book to various educational institutions and to provide these institutions with a workable model for teaching key development themes in their classrooms. The highlighted themes were: the universe, planet Earth, water, food, people (modes of living and means of production), and the environment.



The OFID team solicited feedback from both students and teachers, gaining valuable insight into cultural variances as well as the subjects that students were most interested in exploring.

The students were particularly intrigued by contrasts between their lives and environment and those of the developed world. "You have never milked a cow? Never killed a goat?" some asked of the team when the subject of agriculture and pastoring was discussed. They were also keen to discuss development challenges from their perspective.

Some 200 books were distributed for students at the center and neighboring schools. The workshop was filmed with the aim of producing a video toolkit for the book which OFID can share with various education partners globally.



personal experience is an inspiration not only to the girls in this school, but the whole country. The girls talk about female figures they admire, and many girls see her example and look up to her" said Hillary Omala, Executive Director of KCE.

He elaborated: "Many of our girls were raised in communities which assign particular roles for them. Seeing this success, it is becoming clearer the effect of education on the girls and how parents view their education which brings us optimism."

Beyond reading and writing

Although Kenya has passed a law prohibiting female genital mutilation (FGM), centuries-old customs remain strong in remote and rural villages. Many girls at the school receive intensive legal education about their rights. In addition, Kakenya strongly believes that working with the parents and the community is a critical component for success. "We will never succeed in bringing the girls whose parents believe that female genital mutilation is something their daughters should go through, and that the



ultimate goal for their girls is to be married and have children.”

Kakenya advocates that working with the families and discussing FGM and other issues allows them to be connected rather than simply providing theories. “We don’t want to break families, we want to build them. Our goal is to impact one family at a time through one girl,” Kakenya shared.

The family outreach has had additional, unanticipated outcomes. During the visit, the OFID team met some parents of girls who had attended workshops at the center. They shared an inspiring story in which they collected US\$18,000 to build a student hall and library. Currently the school has only classrooms and dormitory facilities for both students and teachers.

Following the award from OFID in 2014, Kakenya was able to accept 50 additional students into her Center as well as build an additional dormitory facility. “Most awards and funding are restricted but OFID’s award was different,” she told us, openly grateful for the unexpected financial boost. ■

Beyond reading and writing

OFID’s relationship with Gerald Wirth, director of the Vienna Boys Choir (VBC), started in 2009 with the launch of the music-based social initiative, ‘Superar,’ which was founded jointly by the VBC, OFID and the Vienna Concert House (*Wiener Konzerthaus*).

Superar operates in inner-city schools to encourage social integration and learning through participation in choirs and other musical activities. In the space of nearly five years, the number of schools working with Superar has jumped to sixteen across Austria, reaching 900 children in Vienna and 225 in the rest of the country. Its success has seen it expand across five more countries in Europe: Slovakia, Romania, Bosnia, Switzerland and Liechtenstein, reaching a further 780 children.

Gerald has been at the center of this initiative and offered his personal expertise on a voluntary basis to accompany the OFID team to KCE and conduct music workshops for both teachers and students. He has conducted such workshops in schools worldwide; however, this was his first experience in Africa.

As the director of the world-renowned VBC, Gerald believes that every person has music within them. He also understands the links between music and children’s development and its effect on their educational performance. Having been a student himself at the VBC, he knows first-hand how musical influences affect children’s abilities to express, grow and raise their self-esteem.

As the Masai use traditional dance and song within their agricultural and pastoral traditions, it is a culture with considerable musical influence. Through Gerald’s workshop, the girls at KCE were able to learn in-depth about musical notes, and melodies which were new for them. They were also able to exchange their music with Gerald, and share with him their wealth of songs, which they performed in the local Swahili language.



Gerald Wirth, director of the Vienna Boys’ Choir, led an afternoon of musical exchange with KCE students.



Hail the OFID sisterhood!

When it comes to gender equality, OFID is immensely proud of the fact that there is genuine substance to its advocacy. With 96 women in its staff complement of 188, it openly practices what it preaches. Here, the *Quarterly* pays tribute to the sisterhood that is OFID's women.

BY AUDREY HAYLINS

Working women everywhere—whether in the developing or developed world—face challenges that are unique to their gender. Be it discrimination relating to pay, opportunity or advancement, or simply the challenge of holding down a job while raising a family and running a home, the lot of the working woman remains a struggle.

“At OFID, gender equality is not just a goal we strive for, but a standard that we strictly maintain,” asserts OFID Director-General Suleiman J Al-Herbish. “Our female staff are among our greatest assets: they are contributors and facilitators, true professionals and supportive colleagues.”

From left:
Marianne Kirschenhofer,
Barbara Weninger,
Jutta de la Barra



Many OFID women are also working mothers and—in some cases—single parents, a fact that Mr Al-Herbish, himself a family man, acknowledges and respects. “I have great admiration for all my lady colleagues,” he says, “for their astounding ability to multitask, for their dedication to their children and to their jobs, for their intelligence and humor, and most of all for their outstanding contribution—each and every one of them—to the work and community of this organization. OFID would be far poorer without them.”

An Austrian backbone

Among the 21 nationalities represented by OFID’s women, by far the largest number are Austrians. With their German language abilities and deep understanding of OFID’s host environment, they are truly the backbone of the organization.

Barbara Weninger is OFID’s longest serving staff member and remembers joining the institution’s Finance department in 1979, just three years after OFID’s establishment: “I was very young, and for me it was amazing and very glamorous to work in an international organization.”

One of Barbara’s closest colleagues is **Jutta de la Barra**, who has been at the organization since 1981. “Growing up, I always wanted to be social worker,” Jutta recalls. “OFID, with its thousands of social projects, helped me fulfil this ambition in a broader sense. I found my inspiration here,” she says.

Marianne Kirschenhofer has been a stalwart of the Administration and Person-

nel department for over 28 years. She is proud to work for what she describes as a “noble” institution. “OFID does so much for its partner countries and although I don’t contribute to that work directly, I do indirectly, and that is a good feeling,” she says.

Having supported OFID through enormous growth and development, all three women are well positioned to comment on the changes that have taken place. And all agree that the changes have been positive ones. “Nowadays, there are many more opportunities for everyone to get involved,” observes Jutta. For Marianne, the change with the greatest impact is the “opening up” of the institution. “In the old days, there was too much focus on internal issues; now we are much more engaged with the outside world, and I think this is a good thing.”

Creating a community

In an organization as culturally diverse as OFID, it is important to find ways to bridge the inherent differences and foster a sense of ‘family.’ OFID’s social committee, its choir and football team are just some exam-

ples of the groups organized voluntarily by staff to serve as a uniting factor. Such activities are also a useful way for new colleagues—especially those who have relocated to Austria—to integrate and feel at home.

Nahal Tabatabai-Chury, **Rachel Ben Ftima**, and **Roberta Vranješ** are among the OFID women who dedicate private time and energy to organizing community activities.

Nahal describes the work as a very good stress buster, and Rachel agrees, adding: “It’s also about team building. With good spirit in your team you are more productive, more creative, and you can depend on your colleagues when you need help.”

Organizing and participating in events throughout the year can be strenuous, but according to Roberta: “If you love your work it comes naturally. If you’re passionate about it, you think: what else can I do to push toward the same goal?”

Nahal believes women have a natural edge when it comes to organization. “I think as women you have a good feeling for multitasking and time management, and you can see how to prioritize tasks.” Agreeing, Rachel says she sees their role as facilitators as well as organizers. “We have many talents and brains in the house, and we encourage contributions from everyone.”

Roberta points out how much she values the backing of the institution, a view shared by Rachel: “We have the support and appreciation of management and our colleagues. This builds self-confidence, and keeps you going.” ▶



From left:
Nahal Tabatabai-Chury,
Rachel Ben Ftima,
Roberta Vranješ

Above and beyond

◀ Another group worthy of recognition comprises the ladies who regularly work beyond the confines of their job descriptions by taking on duties that often require sacrificing personal time for the greater good of the institution.

As PA to the Director-General, **Helen Abu Jurji** spends long periods away from home and family on duty travel. Rather than seeing this as a negative, Helen insists that it is the proximity to OFID's field operations that motivates her to go the extra mile. "When you go to partner countries and see the impact on people's lives of what you are doing, and how grateful they are, you have a completely different perspective on the notion of personal sacrifice," she argues.

Justine Würtz, who works in the Information department, is a single mum, but that doesn't stop her volunteering her services for evening and weekend functions and events. "I'm just not very good at saying no," she says. "If I see an opportunity, I usually want to engage in it."

Part of the reason for Justine's attitude is her belief that you get out of life what you give. "In addition to what I gain in terms of collegial relationships, I take great personal pride in seeing a job well done and knowing I've brought something extra to a project. I find that incredibly fulfilling," she says.

Also working in the office of the Director-General is **Lamia Hamad**. She, too, can often be found in the office on weekends. "My commitment to OFID is simply part of giving back to a big-hearted organization which gives and helps with no limit," she says. "What I get in return cannot be measured. OFID enables us to live decently and rewards us generously in every way."



From left: Lamia Hamad, Justine Würtz, Helen Abu Jurji

Power in safe hands

Twenty years ago, there were only four women in the 'professional' staff category at OFID. Today, this number has surged to almost 30. What's more, three women—and counting—are in senior leadership positions.

Nigerian **Violet Onyemenam** is the institution's first female general counsel, a position she has held since 2010. She says: "There is a theoretical glass ceiling that every woman sees herself wanting to go beyond, but at the end of the day you have to work over and beyond." It is a fact, she stresses, that OFID's management is still very male-dominated, "but as a woman you still feel welcome, you still feel you can relate to your colleagues and are respected as a professional." She adds: "There is still room for improvement, and we can expect to see more in the future."

Another lady to break new ground at OFID is **Samira Ouksili**, who joined the staff in January 2014 as the first female internal auditor. As a working mum with a six

year-old daughter, Samira feels strongly about the choices women are forced to make in order to succeed in their career. "There is an inherent bias in the workplace focusing on the way we deliver rather than on what we deliver," she argues. "We are equal but not alike, therefore there should be room for more flexibility to allow women, particularly mothers, to professionally deliver while fulfilling their maternal role."

Anajulia Taylhardat heads up the operational division that handles public sector operations in Latin America, the Caribbean and Europe, and is an example of a woman who has worked her way up the organization since starting in 1992. She believes that women bring special qualities to leadership roles: "They are resilient, perseverant and good at diplomacy." Anajulia welcomes the increased number of professional women at OFID. "What I like about this change is the value that these women bring to the institution. They have a great opportunity to contribute to our mandate and excel professionally."

Thirst for knowledge

As a matter of policy, OFID seeks to attract and retain the very best people across all functions and levels. It also supports employees who wish to undertake advanced studies that would be advantageous to the execution of their jobs.

Private sector operations officer **Ramina Samii** is a case in point. In 2003, Ramina decided to pursue a PhD on the under-researched field of humanitarian organizations and their supply chains. "I wanted to challenge myself, push my boundaries, achieve a higher goal," she explains. And has having a doctorate im-



From left: Samira Ouksili, Violet Onyemenam, Anajulia Taylhardat

proved her working methods in any way? Definitely, she says: “The whole process of doing a PhD contributes significantly to the way you think and work. After such an experience, you are better equipped to address challenging situations that have no clear solution.”

HR professional **Ranya Nehmeh** completed her doctorate in business with corporate social responsibility in 2013. “There were definitely elements of self-improvement in my decision, and I was keen to study an area that I knew little about,” she says. Ranya admits that it was OFID that inspired her to research the role of the private sector in development. “It was a huge challenge, working and studying at the same time,” she concedes, adding: “You have to be very self-motivated to do something like this. It’s not an easy thing; it’s lots of work and years of dedication.”

OFID—and specifically its focus on energy poverty alleviation—was also the inspiration behind **Iman Alshammari**’s decision to study for an MBA in energy management. Iman, who works as a public sector operations officer, says: “I love learning new things and expanding my horizons. The topic of my MBA seemed an obvious choice given OFID’s prominent role in fighting energy poverty.” Iman is convinced that the knowledge she has gained is already proving invaluable.

New blood

OFID’s staff complement has expanded dramatically in the last five years to meet the demands of increased operations. Women make up their fair share of the new recruits, which include young and seasoned professionals as well as support staff. They are all already making their contribution felt across the organization.

Ilham Al-Ghadamsi joined the public sector operations team in 2013. Like many of her female colleagues, she juggles work and motherhood and firmly believes that this enables her to bring special skills to the workplace. “I am a mother, so I’m patient; I always try to think practically,” she argues. “Rather than using against us the fact that we’re mothers, I think employers should appreciate our unique qualities.”

Private sector operations officer **Luiscela Moreno** welcomes the fact that women are filling more roles in society and expects their participation to become ever more visible. “I see no reason why women



From left: Ramina Samii, Iman Alshammari, Ranya Nehmeh

everywhere cannot become equal at every level of society,” she says.

Luiscela’s view is shared by **Lina Burchardt**, who joined OFID’s finance team two years ago. “In the near future,” she ventures, “it will hopefully become so common for women to fill the same positions as men that we reach a time where the whole discussion about gender equality becomes obsolete.”

For **Lyla Berrouka**, one of OFID’s newest recruits, the key to women’s equality and empowerment lies in education. She cites the old adage: “When you educate the man, you educate the man, but when you educate the woman, you educate a generation.”

While acknowledging that progress has been made in terms of women’s rights, **Nastaran Sharif**, one of OFID’s young legal professionals, believes that society has to change the way it views women. “The only way we can change perceptions, especially in the workplace, is by proving that we have the same capabilities as men.”

Nadia Benamara, who is in charge of OFID’s multimedia, takes this position a step further. “Women in leadership positions should be seen as the norm and not an exception,” she argues. “I also think we shouldn’t be afraid to do things differently. I’d like us to feel free to explore that possibility and forge our own path, instead of just trying to adapt.” ■



From left: Ilham Al-Ghadamsi, Lina Burchardt, Nadia Benamara, Luiscela Moreno, Nastaran Sharif, Lyla Berrouka



OFID in the Field



OFID considers gender equality and women's empowerment to be a crucial development objective in its own right and takes a gender-sensitive approach to all its operations wherever possible. In the following pages, **Damelys Delgado** presents three OFID-supported projects that are helping women and girls to overcome discrimination and become the catalysts for truly transformational change.



PHOTO: HARALD TOEPFER/WWW.SHUTTERSTOCK.COM

Thriving opportunities for Bolivian women

With a long history of social exclusion, job opportunities are scarce for indigenous people and women in Bolivia. But things are changing. In this report, we highlight an NGO that is helping women to improve their skills and employability, and through this, their self-esteem and confidence.

According to UNICEF, poverty in Bolivia is among the worst in South America, with the country ranking 113th out of 187 nations in the UN Human Development Index. About 60 percent of Bolivians live below the poverty line, a proportion that rises to three-quarters in rural areas.

With more than half the population comprised of indigenous communities, it is easy to understand the direct link between ethnicity and poverty. The International Fund for Agricultural Development has pointed out that the majority of Bolivia's rural women have little access to training, credit or technical assistance.

Because economic growth and job opportunities are found in urban rather than in rural areas, an increasing number of indigenous women are leaving the countryside to live in cities. They arrive with almost no education, few economic resources and a lack of knowledge of the urban environment. These circumstances exacerbate social exclusion, covering not just ethnicity but gender as well.

Although Bolivia has shown progress in gender policies, there are some barriers that still need to be overcome. In a new and unfamiliar cultural setting, female migrants remain exposed to diverse forms of abuse, discrimination and violence.

CEFIM (*Centro de Formación Integral para la Mujer*) is a technical institute established 30 years ago in La Paz to provide practical and theoretical training to any woman with at least four years' education. Its aim is to empower female migrants, whose inclusion in society is hampered by their lack of education and skills and minimal sense of family values.

The institute focuses on the technical training of women in domestic work and gastronomy as well as in tasks related to taking care of the elderly, the sick and children.

The first intake of CEFIM students in 1986 consisted of 20 women. In the intervening years, the institute has trained more than 5,000 women from La Paz and El Alto, as well as from outlying districts of La Paz.

Expanding physical space to educate more women

OFID supported CEFIM through the Foundation for the Social Promotion of Culture (FPSC), an international NGO based in Spain and mandated to help eradicate poverty by encouraging education and vocational training.

Argentinian teacher, Graciela Volpe, is one of CEFIM's founders. She has been an executive board member since the institute's inception and is responsible for the advisory department. Graciela explains that CEFIM's main strength is the comprehensive nature of the training received by students. "We take into account all the dimensions of the person: physical, social, emotional and rational. Educating in values has important consequences for job opportunities. The students acquire self-esteem and they act accordingly, with dignity in all circumstances of personal, professional and social life."

The institute seeks to build a new culture within the female community, coherent with the dignity of the people. In this regard, Graciela is convinced that women are key players in shaping society. "Through CEFIM, many Bolivian women become role models, showing the art of being good professionals, mothers, wives and daughters; a life fully human, meaningful, and inspiring," she explains.

OFID's grant contributed to the construction of a 400 sq m extension to the institute, including four workshops, six classrooms, professors' offices, a library and other related facilities,



PHOTO: IMAGEBROKER/ALAMY

Many of the women who complete their training at the center go on to find jobs in the catering industry.

effectively doubling the size and enabling a twofold increase in enrolments. Support was also provided for furniture, laboratory equipment and supplies.

Graciela's passion for education, and her determination to make a difference in the lives of others, takes concrete shape once the women enter the labor market, where their increased income has a substantial impact on improving the quality of life for themselves and their families.

Graciela motivates the students with positive reinforcement by saying frequently: "I think you can do it very well," and, "There is always a solution." For Graciela it is clear that educating women brings benefits to entire families. Her commitment goes beyond academic purposes, as for every woman with a better education provided by CEFIM, there is a family relying on the certainty of a better life. ■

Key indicators: Bolivia

Population: **10.7 million**

GNI per capita: **US\$2,550**

Life expectancy: **67**

Adult literacy rate: **94%**

Primary school enrolment (gross): **91%**

Secondary school enrolment (gross): **80%**



Source: World Bank

Empowering girls and women for a better life

In Sudan, a local NGO is working tirelessly for gender equality and social justice through education and capacity building. Its main purpose is to become a real partner for peace and the development of women.

Two-thirds of Sudan's 35 million people live in rural environments. Poverty continues to be deeply entrenched due to years of armed conflict that have hindered efforts to improve infrastructure and living standards. For women, the situation is particularly dire. With limited access to agricultural resources and services, all that is available to them is low-paid, low-status and seasonal work.

In East Sudan, however, this picture of destitution has turned into hope for women in some villages of Gadaref state. The catalyst for this transformation is the NGO *Zenab for Women in Development* (ZWD). Led by Fatima Ahmed, ZWD focuses on building local capacity as a means of facilitating development.

Since 2000, ZWD has worked to increase productivity, reduce hunger and malnutrition, and improve the livelihoods of rural women.



An OFID grant helped to empower women farmers by providing advice and modern technologies to boost production.

Key indicators: Sudan

Population: **38 million**

GNI per capita: **US\$1,550**

Life expectancy: **62**

Adult literacy rate: **73%**

Primary school enrolment (gross): **70%**

Secondary school enrolment (gross): **41%**



Source: World Bank

ZWD began by implementing awareness programs for HIV/AIDS and female genital mutilation. In 2006, it launched a food security program targeting women farmers in 20 villages in rural Gadaref. OFID provided grant assistance in support of these important efforts in 2010, and again in 2014. These contributions helped empower women farmers by providing agricultural advice and modern technologies to boost production.

Recently, ZWD has widened its scope through programs aimed at improving educational opportunities—especially for girls from poor families—halting violence against women and advocating basic human rights while building leadership for women.

Who leads ZWD?

Fatima Ahmed holds a Master's in Plant Physiology from a joint program at Sudan's University of Gezira and the International Center for Agricultural Research in Dry Areas. She is also the mother of two, and the daughter of two visionary people, who taught her the value of compassion for the most vulnerable.

In the current global discussion of gender equality, we can only imagine the disparities in this regard in Sudan in 1940, the year in which Zenab Mohamed Nour Rahama, Fatima's mother, started to work for the right of girls to receive an education. With the support of Mustafa Ahmed Sammahin, her husband, this fight continued for 47 years.

In 2005, because of her achievements, the NGO *Peace Women across the Globe* included Zenab in the list of 1,000 women who have made significant contributions to world peace to be nominated for the Nobel Peace Prize.

Fatima has honored the teaching of her parents through her own tireless work at ZWD, benefiting thousands, and sharing with the global arena this NGO as a success story, through diverse UN agencies and international forums. The following answers to our queries show her passion and commitment to improving the standard of living for everyone. If more people had this kind of ambition for their own societies, the world would be a better place.

OQ: *What do you think has been your greatest achievement?*

FA: The difference I have been able to make in the lives of many people around me. At a personal level, I have sponsored many girls and boys from poor families, several of them my relatives, supporting their education through university and, today, seven of the girls have graduated in different specializations, including medicine.

At the organization level, I have made a difference in the lives of thousands of girls by building five primary schools, providing them a chance to get their basic primary education and to obtain gender equality and empowerment.

Through ZWD, we have empowered thousands of women economically and raised awareness on all issues related to women, including legal and human rights, general and reproductive health, HIV/AIDS prevention, and early marriage. This guidance is reflected in the well-being of their families as they are raised out of poverty and achieve food security. Today, many of those women are leaders in their communi-



The five primary schools built by ZWD have enabled thousands of girls to get a basic education.

ties. I am proud of these results and pray to find ways to accomplish more.

OQ: *What is your greatest fear?*

FA: To be unable to continue to help people. Because the resources are lacking, I cannot do more at present to satisfy the many requests from different communities that need help.

OQ: *What is your personal goal in life?*

FA: To bring peace to my family, my community and my country. ■


 A photograph showing two women in traditional Indian saris. The woman on the left is wearing a yellow sari and glasses, looking towards the camera. The woman on the right is wearing an orange and red patterned sari and is looking down at a black smartphone she is holding in her hands. The background is slightly blurred, showing what appears to be an indoor setting.

Well-connected through empowered women

The advent of mobile technology has changed the digital landscape worldwide. In rural Bangladesh, where poverty is widespread, it has now become easier to maintain contact and keep informed through mobile phones. A program launched by Grameenphone and managed by impoverished women has made the difference.

The terms MMS (multimedia messaging service), SMS (short message service), GPRS/EDGE-based data services and voicemail may not be sufficiently understood by much of the population. But it is these features of modern mobile telephony that have opened a wide door, not just for global communication, but also for economic development worldwide.

In rural Bangladesh, home to 75 percent of its 154 million people, the abbreviations make no difference, but connectivity does. This is especially relevant in a country with one of the most outdated telecommunication systems and just 0.7 percent of its population connected to a land line.

Given the fixed line situation, mobile subscriber growth rates in Bangladesh are among the highest in the region—and this despite it being one of the poorest countries in the world, with

around 47 million people living on less than US\$1.25 a day.

Globally, mobile technology has evolved from being an expensive item used solely by the business elite in the 1980s, to an essential gadget for the general population. Nowadays, the industry offers staggering numbers: 5.2 billion handsets in use worldwide; 6.7 billion mobile subscriptions; 4.3 billion unique users; US\$11.4 billion spent on advertising; US\$25 billion generated by mobile applications; and 1.8 billion phones sold in 2013, with an absolute starring role for smartphones, which for the first time exceeded one billion units sold in one year.

This unstoppable trend has been extensively evaluated. According to the Global Media Intelligence Report—responsible also for the figures given above—nearly 2.5 billion of the world's

4.3 billion mobile phone users live in Asia. Most Asian economies have alleviated aspects of poverty, but the extreme poverty rate of 20 percent still persists in a few economies with large populations, such as Bangladesh, India, and Pakistan.

A win-win relationship

As mobile technology has continued to grow and expand worldwide, it has also played an important role in rural Bangladesh. The leading provider in the country is Grameenphone, with a 41 percent market share of more than 36 million subscribers. One of its stakeholders is Grameen Telecom (GTC), a not-for-profit company, owning 34.2 percent of the shares. Both companies are related to the Grameen Bank, a microfinance organization and community development bank founded in Bangladesh by Nobel Peace Laureate and OFID Annual Award winner Professor Muhammad Yunus.

In 1997, the three above-mentioned Grameen organizations launched the *Village Phone Program* (VPP). Women work as self-employed pay phone operators, providing telephone services in rural areas, where such facilities were previously limited or even non-existent. Typically, a woman gets a loan from Grameen Bank—which does not require collateral—and buys a handset and a mobile subscription. Once she is trained to operate it, she is able to charge users for her service and earn money in her community.

It seems straightforward. However, the VPP has changed the lives of many women who were previously completely without an income. By May 2015, the VPP had reached more than 83,000 villages and more than one million telephone ladies had used micro-credit to set themselves up

Key indicators: Bangladesh

Population: **154,695 million**

GNI per capita: **US\$892**

Mobile cellular subscriptions
(per 100 inhabitants): **64**

Adult literacy rate: **95%**

Individuals using the internet: **6.3%**



Source: UNdata

in business and connect the poor to a wider society. The model not only empowered poor women, but also empowered the village people, by providing them, for example, with information about market prices to help them decide when and where to sell their produce. The success of the program has triggered its replication in Uganda, Haiti, Indonesia, Cambodia, the Philippines, Rwanda and Nigeria.

OFID supported the VPP program with a US\$20m loan extended through its private sector window. In concert with other financial institutions, these funds have supported the network and its capacity expansion, technological advancement and improvement of Grameenphone services. As a result, Bangladeshi customers are better connected to the rest of the world and one million women are economically empowered.

Regardless of the democratization of technology that has made the ownership of mobile phones more accessible and affordable, the VPP continues supporting women who resell airtime. The revenue, even if minor, is always welcome in households that normally are full of shortages. ■



Professor Muhammad Yunus, founder of the Grameen Bank, speaks to would-be women telephone operators about the opportunities presented by the village phone program.

PHOTO: KAREN KASMAUSKUCORRIS





Ministerial Council holds 36th session

Approves new ten-year agenda

Made up of the finance ministers and other high-level representatives of OFID Member Countries, the Ministerial Council is OFID's supreme governing authority and meets each June to review the institution's performance and set policy for the year ahead. This year's meeting was held at OFID's headquarters in Vienna, Austria.

BY AUDREY HAYLINS



Incumbent Ministerial Council Chairman and Minister of Finance of Qatar, HE Ali Shareef Al Emadi (center), flanked by Abdul Wahab Al-Bader, Governing Board Chairman (left) and Suleiman J Al-Herbish, OFID Director-General (right).

The 36th Session of the Council elected to the chair the People's Democratic Republic of Algeria, represented by HE Abderrahmane Benkhalfa, Minister of Finance. The Republic of Ecuador, represented by HE Wilson Pastor Morris, OFID Governor and Ambassador of Ecuador to Austria, was elected as vice-chair.

The highlight of the meeting was the approval of a new corporate strategic plan, which sets the framework for OFID's operational activities and institutional development for the next ten years (2016–2025).

Addressing the Council, outgoing Chairman, HE Ali Shareef Al Emadi, Qatari Minister of Finance, described the agenda as a “significant strategic work plan that focuses on resilience, efficiency and innovative solutions.” The program, he stressed, would capitalize on the institution's recent achievements, especially with regard to its “special position” in fighting energy poverty.

Al Emadi underlined the significance of the coming months in defining the shape and direction of the global development agenda. Placing OFID in this context, he said that Member Countries had made clear their “continued support of OFID and adherence to the principle of comprehensive and sustainable development for all” in accordance with the new United Nations Sustainable Development Goals (SDGs) to be announced in September.

Operational review

Reporting on the work of the Governing Board since the last meeting of the Council in June 2014, Board Chairman, Abdul Wahab Al-Bader of Kuwait, disclosed that some US\$1.7bn had been approved in fresh lending for 74 projects. There had also been substantial progress in institution strengthening and human capacity building.

In his own statement to the Council, OFID Director-General Suleiman J Al-Herbish, presented OFID as an institution that was “scaling up its activities, growing in stature and influence, and adapting successfully to an increasingly complex and uncertain business environment.”

Citing figures from the latest Annual Report—covering the period January to December 2014—Al-Herbish said that it had been a “record-breaking year,” with both commitments and disbursements reaching the unprecedented levels of US\$1.6bn and US\$1.1bn respectively. “These figures are not only immensely satisfying in themselves, but also a powerful testament to the success of our various restructuring programs and our ongoing desire to more,” he declared.

The Director-General highlighted OFID's strategic repositioning to focus on the water-food-energy nexus, which he described as representing “the defining challenges of the 21st century.” The nexus, he said, formed the lynchpin of OFID's strategic plan for the coming

decade. “Already, however, in 2014 we allocated 68 percent of total commitments to nexus-related projects,” he told the Council.

The Director-General went on to outline progress in the implementation of OFID’s Energy for the Poor Initiative in terms of operational and advocacy efforts, both of which had increased. Of special note, he said, was OFID’s decision to lead efforts to mobilize support for energy poverty eradication from the oil and gas industry. “We are now working closely with several companies to activate a platform for action, and look forward to our Member Countries joining this effort,” he stated.

Referring to the “transformational journey” that OFID had embarked upon ten years ago, Al-Herbish reiterated its objectives: to make the institution more relevant, more effective, and more sustainable. “So far, I am pleased to say, we are ticking all the boxes,” he affirmed. He added: “I can say with confidence that, when it comes to optimizing the use of our resources and balanc-

ing the pursuit of our mandate with our institution’s financial sustainability, we are doing a satisfactory job.”

The Director-General concluded his statement by acknowledging the dual challenges presented by the SDGs: a new global development paradigm and a new funding architecture. He assured Ministers: “We have confidence in our capacity to deliver on our mandate. We have faith in the unbroken trust and support of our Member Countries. And we know that we can count on the expert guidance of our governing bodies.”

Other matters considered during the session included OFID’s financial statements for 2014 and the Annual Report for the same year, which the Council approved. Also taking place was the presentation of the OFID Annual Award for Development to the Children’s Cancer Hospital Foundation of Egypt (see story, page 40), and the naming of four 2015 OFID Scholars—from Kyrgyzstan, Nicaragua, Palestine and Sierra Leone. ■

The next Session of the Ministerial Council will be held in Vienna, Austria on June 2, 2016.





Newly elected Ministerial Council Chairman, HE Abderrahmane Benkhalfa, Minister of Finance, Algeria

36th Session of the Ministerial Council

photo gallery

The Council's busy agenda included consideration and approval of the Corporate Plan (2016-2025), a review of OFID's financial statements for fiscal year 2014 and approval of the Annual Report for the same year. Ministers also considered a number of reports relating to other operational and financial matters.



HE Wilson Pastor Morris,
OFID Governor and Ambassador of Ecuador to Austria



HE Dr Ali Taieb Nia,
Minister of Finance and Economic Affairs, IR Iran



HE Dr Bambang P. S. Brodjonegoro,
Minister of Finance, Indonesia



HE Hoshyar Zibari,
Minister of Finance, Iraq



HE Abdul Wahab Al-Bader,
Governor of Kuwait to OFID and
Chairman of the OFID Governing Board



Mr Moraja G S Buhlaiga,
Deputy Finance Minister, Libya



HE Ali Shareef Al Emadi,
outgoing Ministerial Council Chairman
and Minister of Finance, Qatar



HE Dr Ibrahim Al-Assaf,
Minister of Finance, Saudi Arabia

36th Session of the
Ministerial Council

photo
gallery



HE Anastasi Mabi Daniel-Nwaobia,
Governor of Nigeria to OFID



Dr Eudomar Tovar,
Alternate Governor of Venezuela to OFID



HE Younes Haji AlKhoury,
Deputy Finance Minister, United Arab Emirates



At the presentation ceremony (from left): Governing Board Chairman, Abdul Wahab Al-Bader; Khaled Shamaa, Ambassador of Egypt to Austria; incumbent Ministerial Council Chairman, Ali Shareef Al Emadi; OFID Director-General, Suleiman J Al-Herbish.

Annual Award looks to a world without children's cancer

The 2015 OFID Annual Award for Development has gone to the Children's Cancer Hospital of Egypt (CCHE), a global center of excellence for pediatric oncology.

BY REEM ALJARBOU

The Award, which comes with a US\$100,000 prize, was announced on the sidelines of the 36th session of the OFID Ministerial Council in Vienna, Austria. It was presented jointly by the Council Chairman, Ali Shareef Al Emadi; Governing Board Chairman, Abdulwahab Al-Bader; and Director-General Al-Herbish. The Ambassador of Egypt to Austria, Khaled Shamaa, received the Award on behalf of CCHE, which is widely known as Hospital 57357.

Speaking at the presentation ceremony, Mr Al-Herbish stated: "CCHE is one of the most inspiring stories in recent times about how the dream of a few dedicated citizens to alleviate the suffering of Egyptian children with cancer became a reality. OFID strongly believes that the Center has directly contributed to health initiatives related to our mandate, which focuses particularly on children."

Responding on behalf of CCHE, Ambassador Shamaa said: “OFID’s work aims at encouraging self-reliance in developing countries in such a way as to inspire hope for the future. This is exactly what Hospital 57357 has set out to achieve, through smart education and research; and through the provision of free, excellent quality care to all children with cancer, with the aim of maximizing their chances of being cured and securing a better future.”

Upon learning of the Award, Dr Amr Ezzat Salama, President of the Board of Trustees said: “We are humbled by this recognition and honored to be partners with OFID in alleviating the suffering of the most disadvantaged in our developing societies.”

Located in the historic El Sayeda Zeinab district of Cairo, CCHE began operation in July 2007 and has grown to become one of the largest children’s cancer hospitals in the world. It describes itself as not just a hospital but a center of excellence in care, research and expertise. All children are treated free of charge, regardless of their ability to pay.

One of the major achievements of the 200-bed state-of-the-art hospital, which treats an estimated 1,500 new paediatric cancer patients each year, is that its free services extend beyond Egypt to Africa and the Middle East. The hospital was built and is sustained completely by donations generated—both at home and overseas—through its fundraising non-profit Children’s Cancer Hospital Foundation.

Since opening, the hospital has succeeded in increasing the childhood cancer survival rate in Egypt from less than 40 percent to almost 75 percent, one of the highest in the developing world. This compares favorably with Western rates of 75–80 percent.

As a result of growing pressure on its services, the hospital has recently undergone expansion, with a 60-bed extension added and fully operational by the end of November 2014. A 52-bed unit in Tanta in the Delta region was launched in January 2015 and officially inaugurated in the presence of the Prime Minister Ibrahim Mehleb in May 2015.

According to the World Health Organization in their Global Action against Cancer Report, on a yearly basis over 160,000 children are diagnosed with cancer globally. Of the 90,000 children who lose their lives to the disease, 80 percent live in developing countries.

The OFID Annual Award was instituted in 2006. Past winners include: the Kakenya Center for Excellence; Ashesi University; Pakistani girls’ rights activist Malala Yousafzai; Dr Mazen Al-Hajri, a pioneer in the field of ear, nose and throat medicine, known for his charitable work with children in Palestine; Professor Muhammad Yunus, Founder of the Grameen Bank of Bangladesh; and, Bertolina Sisa National Confederation of Peasant Indigenous Native Women of Bolivia, among other distinguished personalities and institutions. ■



Why “Hospital 57357”?

From the onset, CCHE wanted to create a unique brand with a distinctive name that people would instantly connect to a worthy cause. In a name-storming session before the Foundation’s first fundraising campaign in January, 2000, it was suggested that a number could be very effective in making a distinctive, easily remembered name. Therefore, the hospital decided to use its bank account number 57357, and so Hospital 57357 was born.

OFID announces 2015 Scholars

The OFID Scholarship Award is presented yearly to outstanding students from the developing world who are striving to become agents of change in their home countries.

BY FATMA ELZAHRA ELSHHATI

A quality education is a vital tool for sustainable development, guiding the path towards better economic opportunities and social prosperity. This September, the international community will renew its commitment to education at the launch of the eagerly anticipated Sustainable Development Goals. SDG4 will be dedicated to life-long learning opportunities for all.

OFID has long recognized the importance of education as a means to enhanced life opportunities. Since 2007, the annual Scholarship Award has furthered OFID's vision of sustainable development centered on human-capacity building.

This year, almost 14,000 hopeful students applied for the chance to pursue their graduate studies at top academic institutions. Hundreds of candidates exhibited their skills and dedication to development through impressive applications. Evaluating the high quality and diversity of the candidates was a humbling experience for the scholarship committee.

After a rigorous selection process, four exceptional candidates—representing each

of OFID's operational regions—were chosen on the basis of their achievements and proven passion for development.

The 2015 OFID scholar from Africa is Jennet Druscilla Buck from Sierra Leone. She will pursue an MSc in Pharmaceutical Science and Management at Kingston University in the United Kingdom.

Jennet is currently working as an inspecting pharmacist in the Ministry of Health and Sanitation. Personally affected by the Ebola crisis, which claimed her mother's life, Jennet is concerned with the deficiencies in the healthcare delivery system in Sierra Leone. "My dream is to become involved in the fight against these problems and take the practice of pharmacy in my country to the next level," she said.

Jennet describes her home country as "virgin ground for industrialization in pharmaceuticals." Upon her return to Sierra Leone after completing her studies, she hopes to become a more resourceful professional and contribute to the development of senior staff.



Jennet Druscilla Buck

PHOTO: COURTESY OF MS BUCK



Aisuluu Abdylidaeva



Duaa Althalathini



Denis Pavon

PHOTOS: COURTESY OF AISULUU ABDYLIDAEVA; DUAA ALTHALATHINI; DENIS PAVON

From the Asia region comes 24 year-old Aisuluu Abdylidaeva from Kyrgyzstan, who will study for a Masters in International Management at the UK's University of Roehampton.

Despite resistance from her family and surrounding society, Aisuluu has shown great determination and courage in finding her path. "I put in twice the energy to progress at work," she said. Currently she is working with the German development agency GIZ as an expert for local economic development. Upon receiving news of her nomination she stated: "My career plan is coming true."

The young professional advocates strongly for the need for young forward-thinking people to advance development in her country. She confirms that she will direct her efforts to "supporting and educating young leaders."

Duaa Althalathini from Palestine is the 2015 scholar from the Middle East and North Africa region. She has accepted a place at the University of Sussex in the UK to study poverty and development.

Currently, Duaa is a project coordinator in Ramallah. Her research interests are in the field of economic empowerment, specifically in relation to women entrepreneurship and innovation. She hopes that pursuing a Master's degree will help her to "learn innovative approaches and new concepts which contribute to the development of programs related to entrepreneurship promotion and poverty alleviation especially for women."

When informed about her successful application, she stated: "This great opportunity will enable me to achieve my career and personal goals and will deepen my knowledge of poverty and development issues."

The successful candidate from the Latin America, Caribbean and Europe region is 27 year-old Denis Pavon from Nicaragua. Denis will pursue his Master's in Engineering for Sustainable Development from the UK's prestigious University of Cambridge.

Denis describes himself as having "two passions in life: sustainable develop-

ment and entrepreneurship." Currently, he manages his own social enterprise and aims to raise awareness about environmental issues related to development.

As an OFID Scholar, Denis is confident that he will be able to contribute "to build strategic networks to promote innovative sustainable initiatives in our communities." Upon completing his degree, he wishes to continue to promote economic progress, ecological protection and social justice.

Members of the scholarship committee and OFID wish the scholars every success in their future endeavors.

Since its inception in 2007, the OFID Scholarship Award has supported the academic aspirations of 17 outstanding students from 16 developing countries. OFID scholars receive one year fully funded scholarship to pursue a graduate degree in their chosen subject related to development. ■

Annual Report 2014 highlights record-breaking year

As of December 31, 2014, OFID's cumulative development assistance rose to almost US\$18bn following the approval of an additional US\$1,553m in financing that year. Disbursements also hit a new high of US\$1,130.5m.

BY JUSTINE WÜRTZ

These and other figures are published in OFID's 2014 Annual Report, which was released on July 21 following its adoption by the Ministerial Council, the institution's highest governing body. The Report details OFID's performance during 2014, highlighting its activities by sector, geographical region and financial mechanism.

In his Foreword to the Report, Director-General, Suleiman J. Al-Herbish reflects that as well as being a year of "exceptional operational achievement", 2014 will be remembered for "several important landmarks, including the return of Ecuador as a Member Country after a 22-year absence".

He also notes OFID's continued strategic focus on the "vitally important" water-food-energy nexus. "Sustainable water access, modern energy access and food security represent the defining challenges of this century" he states.

In this regard and "in keeping with our Energy for the Poor initiative and the spirit of our 2012 Ministerial Declaration on Energy Poverty, all financing mechanisms were brought

into play to facilitate the broadest possible range of solutions."

2014 commitments

The US\$1,553m in new funding approved in 2014 represents an increase of some US\$16m over 2013. The largest share went to Africa, which continues to be the main focus of OFID's poverty eradication efforts.

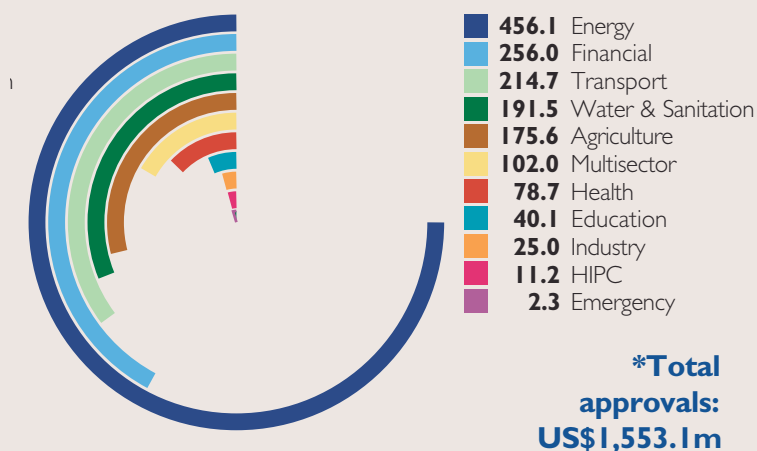
In 2014, US\$823m or 53 percent of total approvals were allocated to nexus-related initiatives. Within the nexus, support to the agriculture sector leapt to four times the sum committed in 2013, bringing it close to par with the water and sanitation sector.

Focus areas

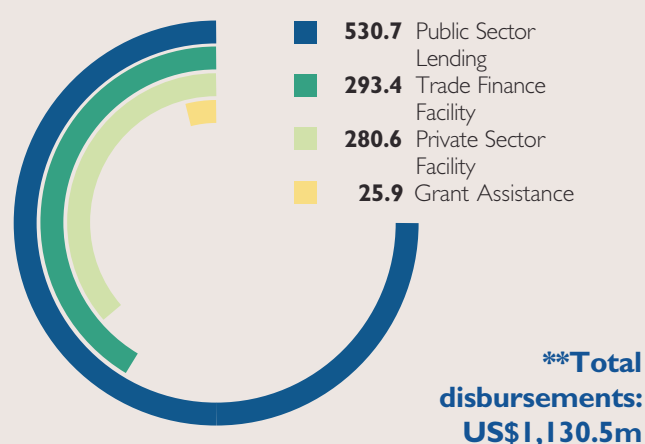
In keeping with established practice, the sectoral distribution of commitments in 2014 reflected the priorities of Partner Countries.

The energy sector drew the bulk of approvals, with a record US\$456m given in support of 29 projects in 24 partner countries. Behind

Approvals in 2014 by sector*
(US\$m)



Disbursements in 2014 by mechanism**
(US\$m)



energy came the financial sector with a substantial US\$256m approved, an amount divided almost equally between support to cross border trade (US\$131m) and to the capital expenditure and working capital needs of MSMEs (US\$125m).

Transportation sector projects numbered 13 and comprised financing amounting to US\$214.7m. Public sector projects formed the bulk of transactions, securing US\$196.4m, predominantly for the roads subsector.

Total approvals to the water supply and sanitation sector reached US\$191.5m, or 12 percent of aggregate commitments for the year and helped fund projects in 17 countries.

The agriculture sector attracted US\$175.6m, a more than four-fold increase over 2013. The funds represented an 11.3 percent share of total commitments for the year and were distributed across Africa (US\$114.8m), Asia (US\$55.4m) and Europe (US\$5.4m).

Multisectoral initiatives secured US\$102m in financing while other sectors to receive support were health (US\$78.7m), education (US\$40.1m) and industry (US\$25m).

Regional operations

In keeping with its mandate to prioritize the low-income nations, 37 African countries benefited from OFID financing in 2014. Collectively, these nations received US\$647.5m, with more than one-half (US\$345.4m) delivered in public sector lending.

The bulk of this (41 percent) went to the energy sector for a wide range of initiatives. Food security was also high on the agenda, with some US\$114.8m (or 18 percent of aggregate approvals) committed. A similar share (16 percent) went to the transportation sector, primarily for road upgrading and construction.

In Asia, US\$558.6m was approved for operations in 18 countries, indicating an increase of some US\$200m over the previous year. Concessional public sector lending, of close to 48 percent (or US\$266m) was the primary mechanism. However, private sector and trade finance windows also performed well, delivering some US\$156.2m and US\$125m, respectively.

The region also secured substantial grant funding of US\$11.4m, or some 45 percent of the total grant resources approved for the year. Palestine was the biggest beneficiary, receiving US\$6.4m for 12 projects, ranging from humanitarian relief and food aid to health and education initiatives, among others.

Some 20 percent (or US\$313.4m) of total global commitments for the year went to 15 countries in the Latin America and Caribbean

region. By far the largest portion (US\$116m or 37 percent) went to the financial sector to bolster the trade and capital expenditure requirements of SMEs.

Although most of the funding (US\$156.6m) was approved in public sector lending, trade financing activities featured strongly, accounting for US\$106m of total approvals, and including first-time trade operations in El Salvador, Panama and Peru.

In Emerging Europe the approval of a US\$5.4m public sector loan to Bosnia and Herzegovina will help 20,000 smallholders transition from subsistence to commercial farming and diversify into off-farm activities.

Financial mechanisms

The public sector maintained its position as the primary channel for OFID's operations. Approvals of US\$773.3m accounted for 65 percent of total commitments for the year and supported 41 projects in 34 countries, including new partner Argentina.

An aggregate US\$433.3m was committed through the Trade Finance Facility, the bulk of it (US\$302m) in nine transactions drawn from an existing global trade participation scheme with the International Islamic Trade Finance Corporation. The remaining resources were allocated to support the import and export funding needs of SMEs.

Private sector approvals comprised 25 transactions with a combined value of US\$321.4m in support of operations primarily in the financial (US\$125m) and energy (US\$108m) sectors. The year also saw intensified focus on renewable energies, with maiden solar projects in Honduras and Jordan and a first hydro project in Nepal. Both Nepal and Tajikistan—where funds were channeled to support microfinance—were new countries of operation under the Facility in 2014. Also approved was a first unfunded risk-sharing operation in the SME sector: a US\$150m contribution to the Global SME Facility.

Through OFID's various grant programs an aggregate US\$25.1m was approved for a total of 61 operations across all developing regions of the world. In keeping with the institution's strategic focus, close to 40 percent of these resources were delivered in support of the water-food-energy nexus.

Approvals continued to increase under the energy poverty grant program, with a record US\$5.9m provided for nine projects, all but one based on renewable solutions and benefiting 14 countries in sub-Saharan Africa, the Middle East, Asia and the Caribbean. ■



The 2014 Annual Report is available in English, Arabic, French and Spanish and on USB in all four languages, as well as in PDF format for downloading from the OFID website at www.ofid.org.



PHOTO: THE ROYAL HASHEMITE COURT

Queen Rania of Jordan with OFID Director-General Suleiman J Al-Herbish.

Official visit to Jordan underscores importance of education

In a brief mission to Jordan in April, OFID Director-General, Suleiman J Al-Herbish was privileged to meet and exchange views with fellow humanitarian, Her Majesty Queen Rania Al Abdullah.

BY SOUHAD KHRIESAT

While the audience with Queen Rania was the clear highlight of the April visit, the main purpose of the mission was the signature of a US\$700,000 grant agreement in support of a project to bolster the Jordanian public school system.

The project, which will help address the crisis brought on by the growing number of Syrian refugee pupils, is being undertaken by the Madrasati “My School” Initiative. Launched by Queen Rania in 2008, the initiative is implemented by the Jordan River Foundation.

Since the start of the Syria crisis, the number of refugees in Jordan has mushroomed to almost one tenth of the latter country’s population. And as most of the refugees are dispersed among the community—rather than in the official refugee camps—the pressure on free public services such as schools has become unsustainable.

The OFID-sponsored project, which is co-financed by the German Agency for International Cooperation (GIZ), is both holistic and multi-dimensional. As well as refurbishing and equipping the schools, it includes components to boost the quality of education and the capacities of teaching staff.

OFID’s grant will be partially used for upgrading the schools’ facilities, but will predominantly finance the installation of solar panels for electricity generation. This will be a huge boon for the schools, which are generally underfunded and forced to cut their energy bill by restricting the use of electricity to the bare necessities such as lighting.

The new, additional power supply will allow the classrooms to be heated, thereby ensuring a more favorable learning environment and better health conditions, especially during the increasingly harsh winters affecting the country.

A meeting of minds

Receiving Mr Al-Herbish in her office, Queen Rania commended OFID's role in supporting sustainable development in least developed countries, as well as in countries, such as Jordan, which face specific situations that put a strain on their limited resources.

The Director-General expressed his appreciation to Queen Rania for receiving the OFID delegation and praised the noble mandate of the Jordan River Foundation.

He went on to emphasize the pivotal role of education in development and cited several examples of OFID's support to undertakings that address youth inclusiveness and capacity building, most notably the OFID Scholarship Award.

The Queen talked about some of the many programs and initiatives that are implemented through the Queen Rania Foundation, many of which are education-related.

She particularly emphasized the important role of teachers for quality education and the application and relevance of new technologies for expanding the outreach of knowledge and information.

In this regard, she made reference to two undertakings of her Foundation: an ICT in education initiative, and Edraak—an Arabic massive

open online course platform, the first non-profit platform of its kind in the Arab World.

Mr Al-Herbish spoke of access to modern energy services as an enabler of education and other sectors, and outlined OFID's advocacy and operations in this field.

The Queen Rania Foundation implements a wide range of important and innovative education initiatives and enjoys the active support of Her Majesty.



PHOTO: CRYSTAL/FLASH NEWS/CORBIS

OFID's partnership with Jordan

PHOTO: BANAWI



OFID Director-General Al-Herbish and Tala Sweis, Director, Madrasati Initiative sign the latest grant agreement.

Since initiating cooperation with Jordan in 1977, OFID has approved over a quarter of a billion US dollars—utilizing all four financing windows—in support of the country's development. The bulk of these resources has gone to the energy, agriculture, health and education sectors.

Projects funded by OFID in Jordan include the Queen Rania Children's Hospital at the King Hussein Medical City, the Queen Alia International Airport and the King Abdullah Hospital in Irbid. Others are the Tafilah Wind Project and two solar energy schemes: Jordan Solar One and Falcon Ma'an Solar Power.

OFID's grant program has supported a number of projects in Jordan, including—among others—the King Hussein Cancer Foundation and intellectual activities at the University of Jordan, along with humanitarian work to assist Syrian refugees.

Fueling Kenya's growth

A newly operational heavy fuel oil power plant—co-financed by OFID's private sector facility—is delivering on Kenya's urgent demand for reliable energy, promising to catalyze local industry and already making a world of difference to nearby communities.

BY NADIA BENAMARA

The new plant has a 30-day reserve of fuel to ensure a reliable supply of power to homes and industry

The 80 megawatt plant came on line in early December 2014, immediately boosting Kenya's electricity generating capacity by nearly seven percent.

A state-of-the-art heavy fuel oil (HFO) facility, the plant is independently owned and operated by Gulf Power Limited, which enjoys a 20-year power purchase agreement with the national distribution company, Kenya Power and Light (KPLC).

By ensuring a more stable electricity supply, the new plant is expected to help raise economic productivity levels, encourage investment—par-

ticularly in energy intensive manufacturing industries—and in turn create jobs for the Kenyan people.

Gulf Power's general manager, Norman Wanyiri said:

"The contribution of energy in an economy cannot be underestimated. One of the reasons we have a poor economic record is lack of adequate electrical power. Kenya is targeting to become an industrialized country by 2030 ... so the government is trying to come up with a mix that is going to make energy more available, affordable and reliable."



PHOTO: OFID/NADIA BENAMARA & REEMALJABOU

We have our electricity back

Home to some 140,000 people, Athi River boasts over a half dozen cement and steel works, as well as textile and food processing factories—altogether about 60 commercial enterprises that provide most of the jobs in the area.

Kevin Otieno Jauga has been living here for the past 37 years. A married father of two, he told the *Quarterly*:

“We used to not have electricity at night. More and more industries came up here and because of competition between households and industries, electricity became a problem. Manufacturing requires a lot of energy so most nights, weekends, public holidays too, households lost out.”

According to Jauga: “There’s been a big change because of the new Gulf Power plant. Now, on weekends when we’re supposed to have rationing, Gulf Power is supplying the industries so we have our electricity back.”

As far as what the future holds, Jauga said he too believes diversity is key to Kenya developing its energy potential:

“We need to get other sources of power; other programs like this, all over the country, so we can improve people’s lives ... Everything nowadays relies on power. You can’t do anything without it.”



Athi River resident, Kevin Otieno Jauga.

PHOTO: OFID/CHARLES KIKUYI

Currently, only one in four Kenyans has access to electricity, which is provided predominantly through hydropower. However, this is not a source that can be counted on.

Erratic rainfalls and frequent droughts—increasingly thought of as irreversible effects of climate change—will continue to result in severe outages unless the Kenyan government succeeds in diversifying its power sector.

Emergency diesel power, which the government has resorted to in times of need, is not a sustainable alternative, especially for Kenyan consumers, who cannot afford to pay its exorbitant costs.

HFO power plants are more economical to run. Other advantages include agility, adaptability, and the speed at which they can inject power into the national grid.

Gulf Power’s chief technical officer, Benson Njiru explained:



Abubakar Ali Salim, Chief Financial Officer, Gulf Power.

PHOTO: OFID/CHARLES KIKUYI

“A hydro turbine can perhaps generate more power, but to bring it back up to performance might take as much as a whole day. Medium speed HFO plants [like the Gulf Power facility] are configured to provide 100 percent capacity within 15–20 minutes of a blackout or similar massive failure.”

Located in the Athi River export processing zone, 25 km southeast of Nairobi, the Gulf Power plant is ideally situated to support both local and national demands.

According to Ramina Samii, OFID officer in charge of the transaction, this type of energy generation project is an excellent example of successful private-public partnership; a model many countries have embraced to attract investment in the sector.

It’s a win-win situation,” said Samii. “Power purchase agreements make the investment bankable for lenders, ensure adequate returns to shareholders, relieve the public purse from undertaking and managing multi-million dollar investments in power plants, and increase installed capacity in a timely and efficient manner.”

Gulf Power is a special purpose company formed by Gulf Energy Limited, one of the top importers of oil and gas in Kenya. It won the Athi River concession in a competitive bidding process based on providing least-cost power to consumers.

Gulf Power’s chief financial officer Abubakar Ali said that development finance institutions (DFIs) played a critical role in such arrangements:

“We are looking to deliver least-cost power to consumers, so projects of this size aren’t viable for investors unless DFIs such as OFID can extend long-term loans to help us finance them.”

OFID and its longstanding partners, the International Finance Corporation and South Africa-based Standard Bank Group, contributed almost three-quarters of the approximately €85m (US\$95m) total cost in debt financing.

Operating 24/7, the Gulf Power plant employs a fulltime staff of 50. More than 90 percent are local hires. Some 60 percent arrived unskilled and received on the job training. An additional 250 workers were employed during the plant’s construction phase.

General Manager Wanyiri said: “This is not the end for us. We will continue looking for more projects in geothermal and in solar, and we hope OFID can come in and give us the support they’ve given us in this current project.” ■

OFID sets up landmark agreement with Argentina

With the provision of a US\$50m loan for a water supply project in the Santa Fé province, OFID's relations with Argentina have taken on a new dimension—the commencement of cooperation in the public sector.

BY ARYA GUNAWAN USIS

The new funding will help finance the second phase of the Reconquista Water Supply Project in the northern region of Santa Fé province, where less than half the population has access to a clean water source.

Phase I is currently addressing the construction of a water treatment plant and parts of a distribution network. Phase II will extend this network along three additional branches in the General Obligado and Vera departments.

This second phase, which is being co-financed by the government of Argentina, also includes the implementation of a water management system—such as automatic meter reading, leak detection and equipment surveillance—in order to react in real time to events in the field.

When completed in 2019, the new infrastructure will serve 175,000 people and bring a host of social and economic benefits, including better health status and higher income-generating potential from improved environmental conditions.

The loan agreement was signed by OFID Director-General Suleiman J Al-Herbish and Dr Antonio Bonifatti, Governor of the Province of Santa Fé.

At the signing ceremony, Al-Herbish said that water access represented a core component of OFID's strategic plan which focused on the inter-related challenges of water, food and energy supply. "In line with this framework and in recognition of your government's commitment to ensure access to drinking water by the entire population of the province by 2020, we have decided to support this project," he stated.

Speaking to the *Quarterly*, Governor Bonifatti warmly welcomed OFID's assistance: "We are pleased to see that just nine months after the presentation of the project, we managed to sign this agreement which allows us to continue providing for the basic rights of the people of Santa Fé," he said.

The project had originally been presented in August 2014 during a visit to OFID by Argentina's Minister of Economy and the Secretary of Public Finance of the Province of Santa Fé.

Clean water a priority

Access to clean drinking water remains an obstacle for Argentina. Despite abundant resources, the sector is hampered by high levels of contamination from agricultural chemicals, sewage and industrial effluents, coupled with underdeveloped water treatment facilities and distribution networks.

In Santa Fé, the provincial water authority services only 15 out of the province's 362 towns, equal to 1.5 million people or about 45 percent of the total population.

Of the remaining inhabitants, 1.3 million people get their water from poor quality sources, while nearly half a million residents have no access at all.

Several communities own small water treatment plants, but are only able to provide two litres of drinking water per person per day, delivered in plastic bottles.

Because of the implications for public health and economic development, both the central



PHOTO: PHOTO WILLIE HEINZ/ADB

government and the provincial government of Santa Fé have made the provision of clean water a priority.

The provincial government has made a strategic commitment to ensure access to drinking water for the entire population by 2020. This plan is to be realized through the construction of 12 water supply plants, with an estimated total cost of US\$1.5bn.

Addressing basic rights

According to OFID's Miguel Linares, officer in charge of the Reconquista project, Argentina's status as a high middle-income country, had previously excluded it from OFID's public sector portfolio.

"On this occasion, although our mandate requires us to prioritize the less developed countries, we felt we had to give this project proposal serious consideration because it addresses a basic human right, access to clean drinking water," Linares explained.

He went on to describe the due diligence mission that OFID conducted in the project area in October 2014, where it quickly became evident that the water was highly contaminated with a number of toxic minerals that would be very hazardous to people's health over the long term.

"Based on the information gathered during the visit, we were convinced that our consideration of this project was more than

justified, not only from the economic point of view but also from a development perspective," Linares stressed.

"We envisaged the project delivering substantial social impact, as the new infrastructure would eventually have the potential to attract more investments and strengthen local economic activities," he added.

Thorough preliminary analysis

Because this is OFID's first-ever public sector project in Argentina, it was necessary to present Argentina as a new partner to the institution's Governing Board in order for it to be declared eligible for financing.

Having gone through this process, added by the willingness of Argentina's central government to provide a sovereign guarantee, the loan was approved in December 2014.

Linares disclosed that OFID has since received further requests to finance more projects with their new partner, such as water supply, urban development and basic infrastructure.

"But we still need to coordinate with the central government to see which sectors they are going to prioritize," he advised.

Although the Santa Fé project is OFID's first public sector initiative in Argentina, the country has previously benefited from a trade finance loan, which was extended in 2010 in support of agribusiness. ■

When completed in 2019, the new infrastructure will provide some 175,000 people with a sustainable and clean water source.

APRIL 2

Grant agreements signed
United Nations Development Program–Program of Assistance to the Palestinian People (UNDP/PAPP). US\$1.2m. For the rehabilitation of houses damaged by the war in the Gaza Strip.

UNDP/PAPP. US\$50,000. To enable renewable energy generation from solar panels for education, health and water facilities in the Gaza Strip.

APRIL 8

Public sector loan agreement signed
Tanzania. US\$15m. Same, Mwanga and Korogwe Water Supply Project (Phase II). To construct distribution and processing systems for the supply of water to over 127,000 people living in the semi-arid lowlands of the Same, Mwanga and Korogwe districts.

APRIL 10

Research grant approved
Vienna University of Technology, Institute of Atomic and Subatomic Physics “Arab-European Summer School on Energy Education.” US\$75,000. To promote and improve the teaching of renewable and non-renewable energy in secondary and technical schools across the Arab region.

APRIL 17–20

Public sector loan agreements signed
Chad. US\$18m. Kyabe-Singako Road. To build a 72km all-weather road, opening routes to marketplaces and social services for some 174,000 people who currently live in poverty and isolation.
China. US\$35m. Laibin Vocational Education. For the construction of a vocational secondary school and

campus center to train skilled workers to meet the demands of local industries.

Egypt. US\$27m. Expansion and Rehabilitation of Ain Shams University Specialized Hospital. To equip and construct/renovate oncology, gynecology and neurosurgery centers at the Ain Shams University Specialized Hospital.

Ethiopia. US\$25m. Shambu-Bako Road. To improve a deteriorated 60km gravel road, thus increasing access to marketplaces, social services and jobs for nearly 300,000 people.

Nicaragua. US\$7m. Rancho Rojo-La Calamidad Road. To upgrade a 10km gravel road in the department of Boaco, thus easing the transport of produce and inputs and enabling around 50,000 people to access social services and jobs.

APRIL 29

Emergency grant approved
International Federation of Red Cross and Red Crescent Societies. US\$300,000. For emergency aid in the form of essential relief supplies and support to emergency operations to assist earthquake victims in Nepal.

MAY 13

Grant agreement signed
Organization for International Economic Relations. US\$800,000. To install solar facilities for the provision of electricity and light in rural regions of Côte d'Ivoire and Ghana.

MAY 15

Public sector loan agreement signed
Lao, PDR. US\$9m. Second Northern Greater Mekong Sub-Region Transport Network Improvement Project. To upgrade 143km of roads in northeastern Laos, thus easing transport constraints for around 60,000 people.

MAY 26

Trade finance term loan agreement signed
Banco Regional S.A.E.C.A., Paraguay. US\$25m. To facilitate the financing of imports and exports of a wide variety of products, mostly in the agricultural sector.



Mr Al-Herbish received Mutaz Musa Abdalla Salim, Sudan's minister of water resources and electricity, to discuss the resumption of cooperation between OFID and Sudan.

MAY 28

Private sector agreement signed

Pembani Remgro Infrastructure Fund. US\$15m.

The Fund will invest in a wide spectrum of infrastructure projects in sub-Saharan Africa, covering sectors such as transport, energy, telecommunications, water and sanitation.

JUNE 3

Emergency grant approved

International Committee of the Red Cross (ICRC).

US\$250,000. To support the ICRC humanitarian response to the crisis in Yemen.

Research grants approved

Underserved Populations

Program (UPP). US\$90,000. To support UPP activities addressing HIV/AIDS and tuberculosis among vulnerable populations in Central Asia.

International Water

Association (IWA). US\$75,000. To support the participation of 40–45 delegates from developing countries in the fourth IWA Development Congress and Exhibition.

The Colombo Plan.

US\$100,000. To support the attendance of 50 participants from the 19 Colombo Plan member developing countries on the 2015–2016 “Training Program on Microfinance and Small and Medium Enterprises Development”.

JUNE 16

Public sector loan agreements signed

Madagascar. US\$15m. Integrated Growth Poles’ Energy Access Enhancement Project. To improve the reliability of energy provision and enhance access to energy services for some two million people.

Madagascar. US\$7.5m.

Beboka Hydro-Agricultural Development Project. To help reduce rural poverty and boost



food security for around 8,000 people by constructing a diversion dam and irrigation scheme.

Djibouti. US\$13m and US\$6m. Tadjoura Port Expansion Project. To upgrade port facilities in order to accommodate a higher volume of exports.

JUNE 26

Public sector loan agreements signed

Sri Lanka. US\$60m. Rehabilitation of the A05 Road Corridor from Badulla to Chenkaladi Project. To rehabilitate and widen 151.3km of road, thereby stimulating the manufacturing, mining, tourism and agriculture sectors as well as trade.

Sri Lanka. US\$17m. Western Province Road Development Project. To upgrade and widen 27km of selected national highways in the Western province, thus improving access to social services and lowering the cost of transporting agricultural produce and other goods.

JUNE 29

Public sector loan agreements signed

Bangladesh. US\$25m. Teesta River Bridge and Access Roads Project. To improve connectivity between the districts of Gaibandha and Kurigram, where poverty levels are high.

JULY 2

Public sector loan agreement signed

Maldives. US\$50m.

Provision of Water Supply, Sanitation and Solid Waste Management Project. To construct new infrastructure that will help raise health standards and living conditions for approximately 124,000 people in 49 selected islands.

JULY 7

Public sector loan agreement signed

Bolivia. US\$70m. Highway Construction Villa Granado–Taperas Bridge–La Palizada Project. To rehabilitate a key stretch of road and help small farmers receive inputs and transport produce, and in turn raise incomes and food security.

JULY 21

OFID Ministerial Council holds 36th Annual Session

See story, page 32.

JULY 22

151st Session of the Governing Board**Public sector projects approved**

Belize. US\$12m. Reconstruction of Hummingbird Highway. To widen and pave the 85km highway with the aim of opening up major agricultural, industrial and tourism areas.

Burkina Faso. US\$14m. Ouagadougou University Expansion. To build and equip student dormitories able to lodge 1,500 students along with a new training and academic research unit for the science and technology faculty.

Burundi. US\$10m. Rural Electrification Project in Kirundo Province. To provide nearly 10,000 consumers in over 34 rural towns with electrical power.

Chad. US\$6m.

INSTA Expansion. To construct and equip a biomedical department at the University Institute of Science and Technology (INSTA) in the city of Abéché with a view to mitigating the country's shortage of biomedicine professionals.

Haiti. US\$20.4m.

Hydroelectric Plant Rehabilitation (Phase II). To ensure a reliable supply of electricity to Haiti's capital, Port-au-Prince and the Central province by rehabilitating three generating units. The plant is the country's only large-scale renewable energy source.

Lao, PDR. US\$15m.

Vientiane Sustainable Urban Transport. To facilitate mobility within the capital by constructing a bus rapid transit system and procuring the necessary vehicles. The new network will help boost productivity, facilitate commercial activities, and foster inclusive social development.

Morocco. US\$70m.

Second Rural Electrification. To provide around 19,000 rural, low-income households, spread across 49 provinces, with reliable electricity services. This will help stimulate job creation, boost agricultural productivity and reduce poverty.

Niger. US\$15m.

Family Farming Development. To enhance food security and food crisis resilience in the south-central region by upgrading and constructing productive economic infrastructure for the benefit of over two million people.

Paraguay. US\$43.36m.

South-West Integration Road Corridors Infrastructure. To improve the country's paved road network and ease the transport of goods, particularly with its main trade partner Argentina. The project areas are populated by over two million people and home to around 12,000 agricultural producers and microenterprises.



The Director-General welcomes Dr William Warren Smith, president of the Caribbean Development Bank, for discussions regarding potential shared projects.

Togo. US\$10m.

Oti Plain Rural Development. To develop agricultural land and provide machinery and technical assistance, as well as build/upgrade socioeconomic infrastructure for the benefit of around 10,000 people across 14 villages and settlements.

Uzbekistan. US\$11m.

Improvement of Potable Water Supply of Rural Population of Koshrabad Area of Samarkand Region. To improve the health standards and living conditions of approximately 68,000 people through the construction/upgrading of water supply infrastructure.

Zimbabwe. US\$20m.

First Education. To develop 12 rural primary and 5 secondary schools and provide equipment and furniture to improve learning conditions for over 10,000 pupils. Also planned is the construction of housing for teachers.

Grants approved**The Patient's Friends Society.**

US\$200,000. To expand the "OFID Department of Surgery" at Al-Ahli hospital in Hebron in Palestine through the purchase of beds and other furniture needed to meet the growing number of patients.



Rajiva Misra, Ambassador of India to Austria, met with Director-General Al-Herbish to discuss a pending energy project.

Alliance for Rural**Electrification. US\$990,000.**

To provide de-risking mechanisms for business ventures to facilitate the deployment of mini-grids for affordable and sustainable energy services in Bangladesh, India, Mali and Mozambique.

Foundation for Rural Energy**Services. US\$500,000.**

To provide affordable, reliable and sustainable electricity services to households, local businesses and community centers in Contuboe village in Guinea Bissau through the installation of solar mini-grid systems.

Hope '87. US\$250,000.

To establish a teacher training center in Lahore, Pakistan, capable of training some 300,000 teachers per year. An estimated 220,500 primary and secondary pupils will benefit indirectly from the improved quality of education.

International AIDS Society.

US\$300,000. To sponsor the AIDS 2016 Conference in Durban, South Africa, and fund a joint OFID/IAS workshop on HIV in Conservative Social Settings.

UNIDO. US\$300,000.

To improve the productivity and competitiveness of fisheries' value chains in Colombia, Cuba, the Dominican Republic and Nicaragua, with special focus on smaller producers.

United Nations Relief and Works Agency for Palestinian Refugees in the Near East (UNRWA). US\$1.4m.

To improve the health and living conditions of around 16,000 residents of the Shu'fat refugee camp in Jerusalem through the upgrading of storm water and sewerage networks.

United Nations Register of Damage Caused by the Construction of the Wall in the Occupied Palestinian Territory (UNRoD). US\$300,000.

To support the final phase of UNRoD's program to document the damage caused by the separation wall and assist affected Palestinians register their legal rights to lost property, including land.

Meetings attended by OFID

MARCH 31–APRIL 1

VIENNA, AUSTRIA

United Nations Seminar on Assistance to the Palestinian People

APRIL 8–11

INCHEON, KOREA

United Nations Development Cooperation Forum (UN-DCF), High Level Symposium and Global Partnership for Effective Development Cooperation—Steering Committee Meeting

APRIL 15–20

WASHINGTON DC, USA

World Bank and International Monetary Fund Spring Meetings

APRIL 23–24

VIENNA, AUSTRIA

SE4All Energy Access Committee Meeting

APRIL 27–28

BERLIN, GERMANY

Meeting of Senior Officials of the Deauville Partnership and the 'Responsible Financial Inclusion for Social Inclusion and Stability' Conference

MAY 2–5

BAKU, AZERBAIJAN

48th Annual Meeting of the Board of Governors, of the Asian Development Bank

MAY 3–5

WASHINGTON DC, USA

World Bank and IMF International Finance Institutions Heads of Human Resources Conference

MAY 5–6

RIYADH, SAUDI ARABIA

Euromoney Saudi Arabia Conference

MAY 5

LAXENBURG, AUSTRIA

12th Meeting of the Vienna Energy Club



Director-General Al-Herbish was a keynote speaker at May's World Petroleum Council Leadership Conference in Tromsø, Norway.

MAY 10–16

ROME, ITALY

The Foundation for World Wide Cooperation Conference

MAY 13–15

TBILISI, GEORGIA

24th Annual Meeting of the European Bank for Reconstruction and Development

MAY 18–20

NEW YORK, USA

2nd United Nations SE4ALL Forum

MAY 20–21

BASSETERRE, ST KITTS AND NEVIS

45th Annual Meeting of the Board of Governors of the Caribbean Development Bank

MAY 26–28

TROMSØ, NORWAY

The World Petroleum Council Leadership Conference 'Responsibility Cooperation Sustainability'

MAY 25–29

ABIDJAN, CÔTE D'IVOIRE

50th Annual Meeting of the African Development Bank and the 41st Annual Meeting of the Africa Development Fund

JUNE 3–4

VIENNA, AUSTRIA

6th OPEC International Seminar

JUNE 4–5

PARIS, FRANCE

Amundi World Investment Forum 2015

JUNE 9–11

MAPUTO, MOZAMBIQUE

40th Annual Islamic Development Bank meeting

JUNE 10–13

BALI, INDONESIA

International Student Energy Summit

JUNE 18–20

VIENNA, AUSTRIA

Vienna Energy Forum

JUNE 22–26

VIENNA, AUSTRIA

5th Science and Technology Conference of the Preparatory Commission for the Comprehensive Nuclear-test-ban Treaty Organization (CTBTO)

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PHOTO: OFID/HELEN ABU JURI



Governing Board Chairman Abdulwahab A Al-Bader (center) with Director-General Al-Herbish (second from left) and other members of OFID Senior Management.

151st Session of the Governing Board

Meeting in its 151st Session in Vienna, Austria on July 22, the Governing Board approved US\$336m towards new development operations in over 30 partner countries. Of the total amount, some US\$247m will co-finance 12 public sector projects across a range of sectors, namely energy, transportation, education, agriculture and water supply. Three transactions totaling US\$40m were approved in favor of the private sector and included a maiden private sector education initiative, which will offer support to financial institutions in Africa for the provision of funds to schools and students. Fresh trade financing amounted to US\$45m and will support import and export activities in Burkina Faso, Turkey and Mongolia. Grants accounted for just over US\$4.2m of the new approvals and comprised funding for eight initiatives in a variety of sectors. Further details of public sector and grant approvals can be found in the *Diary*.

Mr Muwafaq Taha Ezzulddin,
Alternate Governor, Iraq



Dr Mokhtar Abozrida,
Governor, Libya



Mr Farid Tiaiba,
Governor, Algeria

Dr Ahmed Abdulkarim Alkholifey,
Governor, Saudi Arabia



Mr Bader Ahmed Al Qayed,
Governor, Qatar

LOAN SIGNATURE photo gallery



US\$15m loan marks resumption of cooperation with St Lucia

St Lucia's Prime Minister and Minister of Finance Kenny D Anthony initialed the agreement for a project to upgrade some 27km of main and secondary roads in the capital Castries and the northwest, benefiting around 95,000 people.

Madagascar secures two loans worth US\$22.5m

François Maurice Gervais Rakotoarimanana, Minister of Finance, Economy and Budget, signed the agreements for the projects, which will boost energy access and agricultural productivity.



US\$77m in new loans for Sri Lanka

Mr Al-Herbish shakes hands with Sandresh Ravindra Karunanayake, Minister of Finance of Sri Lanka, following the signature of loan agreements for two new transportation projects that will rehabilitate important road infrastructure.





US\$18m to Chad for road construction

Mariam Mahamat Nour, Minister of Planning and International Cooperation, signed the agreement for the project which will benefit some 174,000 people. The Minister also signed an Agreement for the Encouragement and Protection of Investment.



US\$27m for hospital expansion in Egypt

Naglaa El-Ahwany, Minister of International Cooperation, speaks at the signature ceremony for the loan in support of the expansion and rehabilitation of Cairo's Ain Shams University Hospital



China receives US\$35m for vocational education

Mr Al-Herbish and Shaolin Yang, Director-General of International Economic and Financial Cooperation, conclude the agreement, which will support the construction of a vocational school and campus in the city of Laibin.

The full list of loan and grant signatures can be found on pages 52-54.



PHOTO: REUTERS/ADNAN ABIDI

The day the earth shook

OFID's project officers travel far and wide in the execution of their duties, often risking their personal safety for the greater good. Little, however, could have prepared experienced private sector officer, **Ramina Samii**, for the terror of being caught up in the massive 7.8 magnitude earthquake that struck Nepal on April 25. Here, she shares her story with the *Quarterly*.

INTERVIEW BY AUDREY HAYLINS

OQ: *Why were you in Nepal?*

RS: I was there with about 70 other people from various partner institutions and investors for a due diligence mission on a hydro plant that we're looking at together. We visited the project site, which is around 70km and a five-hour drive from Kathmandu, on Tuesday, April 21. Although my official duties were over by Thursday night, I had elected to extend my stay until Sunday in order to do some sightseeing, as it was my first visit to Nepal.

OQ: *Where were you when the earthquake struck?*

RS: I was alone in the temple of a monastery in the hills above the Kathmandu Valley. I remember it was a few minutes before noon when the ground started shaking violently. I was sitting on the floor at the time, and my first instinct was to get out of the building as quickly as possible, as I knew straight away it was an earthquake. I tried several times to get to my feet, but with the ground shifting beneath me, even that simple movement was extremely difficult. All around me glass was shattering and ornaments were falling. It was very scary and I was trembling with fear. I managed to make it to the door but was unable to open it. In the end, I had to climb out a window into the garden, where all the nuns had gathered.

OQ: *What happened in the immediate aftermath of the quake?*

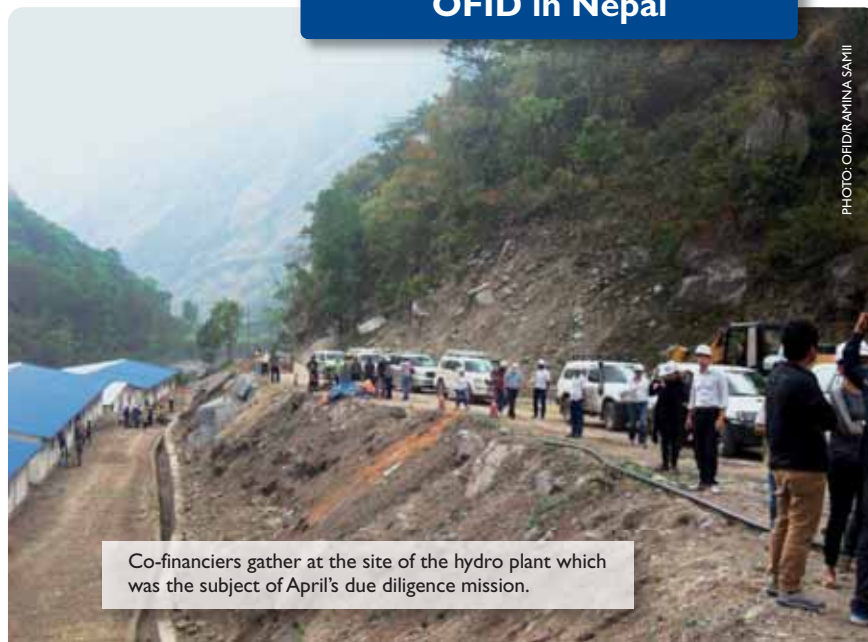
RS: There were strong aftershocks for a good hour and a half. For me, this was the most terrifying part. I kept thinking that the ground would crack open or that a piece of the mountain would come crashing down on top of us. I felt really isolated—my phone had no service and I desperately wanted to contact my family. I had to get off the mountain and back to the city, but the nuns wouldn't hear of it. Eventually, I insisted, only to find that the iron gates to the monastery had collapsed, barring the exit. It was very tricky climbing over the tangle of metal, but I managed it. My driver had gone, so I had no choice but to set off on foot. I judged there was about five to six hours of daylight left and that I could make it down to the valley before nightfall. Luckily, a motorbike came by and I was able to get a lift. We passed through several villages on the way down, and people were gathered outside. The eeriest thing was the deathly silence.

OQ: *How extensive was the damage in Kathmandu?*

RS: The destruction was far less than I expected. As it's a seismic zone, buildings are generally constructed to withstand earthquakes of up to a

magnitude of ten. However, even although my hotel was structurally sound, all the guests were obliged to remain outside in the courtyard until much later in the afternoon, when it was deemed safe to go to our rooms and collect our belongings. During this time, the hotel manager—a lovely German woman who was unruffled throughout—distributed food and water. It was her cheerfulness, together with the fact that ►

OFID in Nepal



Co-financiers gather at the site of the hydro plant which was the subject of April's due diligence mission.

PHOTO: OFID/RAMINA SAMI

OFID and Nepal have been partners in development for nearly 30 years. Working closely with the government, OFID has provided numerous low-interest loans for projects in sectors such as agriculture, education, energy, telecommunications, transportation, and water and sanitation. At the same time, the Himalayan country has benefited from several grant-financed activities targeting the neediest communities. These efforts have helped to improve living standards for millions of people. In 2014, OFID approved its first private sector project in Nepal: a hydropower scheme.

In the wake of the April earthquake, OFID provided a US\$300,000 grant in support of the emergency operations conducted by the Nepal Red Cross Society. Commenting, OFID Director-General Suleiman J Al-Herbish said: "It is soul destroying when a disaster like this hits a country such as Nepal, where there has been noticeable progress in recent years. As a committed partner, we shall use all resources at our disposal to help the country rebuild and get its development back on track."



Although modern structures in Nepal are generally constructed to withstand earthquakes, older buildings are not so well protected.



“... the experience is not going to stop me doing the job I enjoy.”

Ramina Samii

◀ there was no shouting or running or hysteria among the Nepalese themselves, that helped me calm down. My preoccupation was still my family, however, so I was relieved to find that Wi-Fi was working and I could finally get a message to my mother. I spent the night sitting in the hotel lobby near the door, running outside every time a fresh aftershock hit.

OO: *Were you concerned about how you would get out of the country?*

RS: Yes, of course. I was scheduled to fly out the following day, but I didn't even know if the airport would be open. I figured that if the runway or the tower was damaged, it would take ten days to get the airport operational again. Also, there was a question mark as to whether the commercial airlines would even fly, so I was building all kinds of scenarios in my head, preparing myself for the possibility of an evacuation or even trying to get to India by road.

OO: *So how did you finally get back to Austria?*

RS: I was in constant touch via Wi-Fi with my sister in the USA and she was able eventually to let me know that my airline was flying as planned. So, the next morning, I went very early to the airport and found it inundated with thousands of would-be passengers. Although it's an international airport, it only has five gates, and they were struggling to cope. China and India had laid on a lot of extra flights to evacuate their huge numbers of nationals, and there were also a lot of military planes from Pakistan and India bringing in aid. That said, the ground staff were remarkably competent, cheerful and calm the whole time, and there was actually some kind of order to the chaos. I was extremely happy and relieved when my aircraft finally took off.

OO: *Your PhD thesis was on disaster management, so it's an issue you're very familiar with. How did it feel to be caught up in a real-life disaster—did the reality match your expectations?*

RS: The sheer terror I felt was very real, but as an observer, everything played out exactly as I knew it would. There were no real surprises. Everything I witnessed on the ground and everything that's still unfolding now two weeks later, I touched upon to some degree in my thesis. Preparedness is one such topic, and a crucial one at that. Massive earthquakes like this hit Nepal every 80 years or so, so this one was expected, and the government had been having help with preparedness work. This is no easy task in a country that is so mountainous. In the past ten years, all new buildings have been constructed to seismic regulations, but for the poor people who live in ramshackle homes, literally clinging to the sides of mountains, their situation is hopeless.

OO: *Has this experience made you re-evaluate your job in any way?*

RS: Not really. After many years in the development business, I'm used to a certain level of discomfort and even risk when on mission. It's part of the job. However, I'm not naive. I know there's a very strong possibility that if the earthquake had happened on the day of the site visit, we would all have been affected. Its epicenter was some 30km from the project, and the whole area was severely hit by landslides. But I don't dwell on these thoughts. My attitude is that we live in a world where things like this happen. I got lucky; all I suffered was a small cut on my hand. Maybe someone, somewhere was looking out for me. Whatever the case, the experience is not going to stop me doing the job I enjoy. ■



Why local currency matters for development

One obstacle that remains rampant in developing countries is the dearth of development funding in local currencies. Here, Ruurd Brouwer, CEO of the Currency Exchange Fund (TCX), explains how his institution is working to plug this important gap.

BY ARYA GUNAWAN USIS

The currencies listed here may sound alien to most people: somoni (Tajikistan), dram (Armenia), leu (Moldova), lek (Albania), birr (Ethiopia), cedi (Ghana), ariary (Madagascar), or rupiah (Indonesia), dong (Vietnam), lempira (Honduras), quetzal (Guatemala), and nuevo sol (Peru), as well as guarani (Paraguay).

But they all have one thing in common: they are “soft” currencies and, as such, unutilized in international financial transactions. If a company’s revenue is based on a soft currency, it is next to impossible to obtain long term credit in the same currency. Usually, credit is available only in “hard” currencies, such as US dollars or euros.

And here’s the anomaly: business owners in developing countries should never borrow in hard currencies because their income is in local currency. Historically, their soft, local currency always

depreciates against hard currency, so borrowers face the risk of paying back several times the amount they initially borrowed.

So, local entrepreneurs that want to invest to grow their business do not have access to the right financial product. They cannot finance a long term investment with a short term loan, and they should not be forced to take the currency risk that comes with a long term loan in hard currency.

Under such conditions, countries with weak currencies generally find themselves alienated from the international development arena and with stalled economic growth.

“TCX was founded in response to this situation,” said Ruurd Brouwer, in an interview with the *Quarterly* during his visit to OFID Headquarters in May. Brouwer was accompanied by his senior VP and head of research, Harald Hirschhofer.

Taking the currency risk away

According to Brouwer, banks tend to offload currency risk to the people least able to carry it. TCX’s approach is to tell the banks: “We will change a dollar loan into a local currency loan for you to disburse as credits to local businesses. We will take away your currency depreciation risks.”

The approach works because TCX is operating in almost 50 different countries and currencies. “During the tenure of the credit, there will be currencies that experience value depreciation and some that become more valuable. Moreover, the local currency loan comes with local interest rates that generally are somewhat higher than the dollar interest. By combining all the different currencies and the different interest rates, we don’t lose money and the end clients of our investors get loans in their own currency,” Brouwer explained. ►



CEO Ruurd Brouwer believes strongly in the powerful developmental impact of the unique services provided by TCX.

◀ He continued: “It is the distribution of risk, combined with a very conservative capitalization structure, economies of scale and the concentration of unique resources that make TCX’s business model a success.”

Established in 2007 by FMO, the Dutch development bank, TCX has since attracted investment from more than 20 development finance institutions (DFIs), including EBRD, the International Finance Corporation, the African Development Bank and others from Germany, France, Belgium, Japan and Spain. In 2008, OFID also supported the initiative by investing US\$20m.

TCX’s services involve fairly complex derivative calculations. However, in principle, TCX absorbs the foreign exchange and interest rate risks associated with long-term funding. Risk taken over by TCX from its clients—which are mostly its own shareholders—must be kept by TCX itself.

TCX works on the basis of ‘additionality’; it only provides currency hedges if the market does not offer a solution. It also applies a ‘non speculation’ principle. This means that TCX only supports investment in the real sector, and not any form of currency speculation.

Brouwer believes in the powerful developmental impact of TCX. “By making

long-term, risk-free local currency loans available, we are helping to reduce the excessive reliance on short-term debt that characterizes lending in frontier markets,” he argued.

“This lowers the probability of self-fueling liquidity crises, supports long-term financial inflows—mainly from DFIs—contributes to an overall strengthening of the balance sheets of corporate and financial institutions, and enhances the resilience and growth potential of emerging economies.”

Although long-term local currency loans usually have a higher interest rate compared to loans in hard currencies, the benefits available to the borrowers are much greater.

“First and foremost, they will not be affected by the exchange value depreciation,” explained Brouwer. “Secondly, the funding by its very nature is more secure, so business can be conducted in a more stable way. And the third advantage is that, if the world is struck again by a financial crisis like 2008, the debtors will not be hit so hard. This is also an important advantage for the foreign lender, such as OFID. A borrower that is protected from currency depreciation has a more attractive credit risk.”

Pushing for more growth

Brouwer was at OFID Headquarters to report on the performance of TCX and its future strategic development planning, and also to see if there were ways to help OFID’s clients get better access to local currency financing. He admitted to the *Quarterly* that he was proud of TCX’s role as a market maker and of its impact in making a difference in forgotten corners of the world.

“The most important tangible result is this almost US\$4bn worth of local currency financing that otherwise would not have been provided. It’s significant, because prior to TCX it did not happen at all,” said Brouwer, who has been CEO of TCX since January 2015.

He is mindful, nonetheless, of the huge challenges and in particular the growth of the fund. Of the US\$4bn hedged by TCX, the bulk has been for loans to small and medium enterprises. “Most project finance transactions, for example in infrastructure for the energy sector, are still financed with US dollars. This is a big opportunity and it is wide open. If we look at the energy sector, renewable energy, local infrastructure, the market is a hundred times bigger than what we cater for today,” he stressed.

It is in this area that Brouwer would like to see intensified cooperation with OFID. “The best way to finance renewable energy projects is with a long-term fixed-rate loan in local currency. This is not yet available in the markets where OFID operates, but we are developing it,” he revealed.

As a trailblazer in local currency hedge funding, TCX has paved the way for other—mostly commercial—banks to follow in its footsteps. In many countries, though, it continues to hold a monopoly in this sector, a fact that Brouwer surprisingly finds disturbing rather than pleasing.

“The market for local currency financing is so huge that new players would only help develop it. The more players, the better it is for the markets, the better it is for development. For this reason, I would love to lose our monopoly,” he acknowledged. ■

CONFERENCE WATCH

Event: **Second Sustainable Energy for All Forum**

Theme: Financing Sustainable Energy for All

Hosted by: Sustainable Energy for All (SE4ALL)

Venue: New York City, USA

Date: May 18–21, 2015

by Faris Hasan and Nicholas Smith

SE4ALL conference kicks off pivotal year in sustainable development

In a year of important meetings that will determine the direction of sustainable development, May's SE4ALL Forum in New York City built key momentum in moving energy up the global development agenda.

When the Sustainable Energy for All Initiative was created in 2011 by UN Secretary-General Ban Ki-moon, OFID had long been focusing on work on the ground to address energy poverty. That's why OFID was chosen to be part of the high-level group that would recommend an Action Agenda upon which stakeholders could make commitments that would promote full energy access by 2030.

SE4ALL's goal is to draw more contribution to sustainable energy from the public and private sectors as well as civil society by 2030 by focusing on three interlinked objectives: ensuring universal access to modern energy, doubling the rate of improvement in energy efficiency and doubling the share of renewable energy.

The Second Sustainable Energy for All Forum drew more than 1,500 attendees,

including global leaders in government, civil society, business and international organizations and featured 70 dialogue sessions. Among the key outcomes was the launch of the first-ever Global Energy Ministerial as well as the presentation of the second biennial SE4ALL Global Tracking Framework.

"This year we can flip the switch to light up a new future," said Mr Ban via a video message. "... 2015 is a time for global action."

Thanks to that groundwork, May's SE4ALL Forum advanced the cause of providing energy access to the world's poor at an especially pivotal time. Later on this year, two key conferences will determine the direction of international development for years to come. September's UN Summit will set the post-2015 Sustainable ▶



Members of the SE4ALL Advisory Board.

PHOTO: IISD/ENB (WWW.IISD.CA/ENERGY/SE4ALL/FORUM/2015/19MAY.HTML)



PHOTO: IISD/ENB (WWW.IISD.CA/ENERGY/SE4ALLFORUM2015/20MAY/HTML)

OFID Director-General Al-Herbish (left) and Moderator Matthew Bishop during the panel session discussion on the strategies needed to ensure universal energy access by 2030.

◀ Development Goals, while the aim of December's UN Climate Change Conference in Paris will be to reach an agreement to limit the global temperature increase to 2 degrees Celsius by the end of the century.

"All of us here today have a great responsibility. Future generations will judge us harshly if we fail to uphold our moral and historical duties in this year of action," said UN Deputy Secretary-General Jan Eliasson. "Working together, we can light rural clinics, empower local businesses, invigorate economies and protect the environment."

Commitments to kilowatt hours

The overarching theme of this edition of the forum was "Financing Sustainable Energy for All." SE4ALL's Finance Committee underscored the importance of lessening the investment risk for the private sector as well as developing a pipeline of bankable projects at scale. Representatives from the World Bank presented a progress report on its Readiness for Investment in Sustainable Energy (RISE) tool, which assesses government support for private investment in sustainable energy projects. The program's initial pilot covers 17 countries, with a planned global rollout that would reach more than 100 nations.

Echoing the need for private investment, a high-level panel on African energy finance stressed the importance of public-private partnerships to bring power, partic-

ularly to rural areas. The panelists mentioned that speeding up renewable energy investment and encouraging private sector engagement would jumpstart economic development and stabilize the food supply.

One African energy program in particular was highly featured at the forum. Senegalese-American hip-hop star Akon was on hand to promote his solar power for the poor project, Akon Lighting Africa. The multi-platinum-selling singer's presence gave a boost to the issue—especially on social media—among an audience who might not grasp the importance of the energy poverty issue. "I want my fans to realize that we all have a role to play in achieving sustainable energy for all," he

wrote during the first day of the conference to his 5.8 million followers on Twitter.

Thione Niang, Akon Lighting Africa's cofounder, described his upbringing without access to electricity and vowed that he would not rest until "every African has the energy they deserve."

"I grew up trying to beat the sun so I could do my homework before the sun went down," Niang said. "We take this fight very personally because we grew up knowing the disadvantages of not having electricity."

Measuring momentum

Another key presentation was the second biennial Global Tracking Framework, which measured the progress towards achieving SE4ALL's three goals over the past several years.

"We are heading in the right direction to end energy poverty," said Anita Marangoly George, Senior Director of the World Bank's Energy and Extractives Global Practice, "but we are still far from the finish line."

Delivering sustainable energy has made progress since 2010, but there is still much ground to cover before the 2030 target date. For instance, the report's data showed that from 2010 to 2012, 222 million people worldwide had gained access to electricity, but 1.1 billion are still in need of a reliable source of energy. Similarly, 125 million people, more than the population of Mexico, gained access to clean and modern cooking fuel, moving away from harmful traditional fuels like firewood or



PHOTO: IISD/ENB (WWW.IISD.CA/ENERGY/SE4ALLFORUM2015/19MAY/HTML)

OFID's Faris Hasan speaking at the session on the water-food-energy nexus, which considered issues including implementation, stakeholder dialogue and renewable energy.

charcoal that 2.9 billion people still resort to using.

The framework mentioned that in order to achieve SE4ALL's goals over the next 15 years, an annual investment of US\$1.25tr is required, about three times the current levels. Additionally, the right policies and strategies are needed in individual countries to enable a sustainable business environment.

A golden opportunity for the “golden thread”

The SE4ALL Forum also saw the launch of the first-ever Global Energy Ministerial Dialogue, which took place during the last two days of the conference. A policy discussion the first day of the dialogue was followed on the second by a look at the future of energy with the goal of reaffirming the Rio+20 determination “to act to make sustainable energy for all a reality.”

In speaking about the need for an effective energy policy, Kandeh Yumkella, Special Representative of the Secretary-General and Chief Executive of SE4ALL, said that Africa was not just a source of raw materials but the “next frontier for energy,” adding that “without energy, countries become failed states unable to handle crises such as Ebola.”

Major themes discussed during this portion of the forum included increasing investment levels, advancing clean energy technology, creating official development assistance to aid least developed countries, and the importance of international cooperation in helping developing countries address their financing, technical and capacity-building needs.

Ban Ki-moon has called energy the “golden thread” that links economic growth and social equality, benefits that reach far beyond merely delivering electricity. In keeping with the Secretary-General's idea, Mr Yumkella said in his closing remarks that “energy is about human development” and that 4.3 million women and children die every year because of household air pollution caused by using traditional cooking fuels, more than HIV/AIDS, malaria and tuberculosis combined.

“If you care about health, if you care about women and children, let us give them energy services,” he said. “So ultimately, SDG 7 is about saving lives. It's about creating prosperity.” ■



PHOTO: IISDIENB (WWW.IISDCA/ENERGY/SE4ALL/CONF2015/18/MAY/HTML)

OFID Director-General Al-Herbish (right) took part in the panel “Financing Sustainable Energy for All.”

OFID at SE4ALL

OFID Director-General Suleiman Al-Herbish and Corporate Planning and Economic Services Director Faris Hasan represented OFID at the SE4ALL Forum, participating in several panel discussions.

In keeping with the overall theme of the conference, Mr Al-Herbish took part in a panel titled “Financing Sustainable Energy for All” where he emphasized the urgent need for energy access and that success in delivering power to the 1.1 billion people living without it depends on a technology-neutral approach. The Director-General added that energy access had to go beyond “basic access,” since all sectors of the economy depend on a reliable source of energy to be productive.

Mr Al-Herbish also spoke at the high-level panel “Achieving Sustainable Energy for All by 2030—Ensuring Universal Access.” The Director-General highlighted OFID's Energy for the Poor Initiative, which pledged in 2012 a minimum of US\$1 bn to alleviate energy poverty. He reiterated that while the initial commitment was a one-time pledge, it had since been turned into a revolving fund.

Mr Hasan provided key input into a panel about how the large natural gas discovery in eastern and southern Africa could be an enabler for socioeconomic growth. He also spoke on a panel titled “The Clean Energy Mini-Grids High Impact Opportunity” and stated how the potential of mini-grids to significantly improve access to energy in poor developing countries had not yet fully been realized. OFID's work in applying the water-food-energy nexus in the field with co-lead Renewable Energy and Energy Efficiency Partnership (REEEP) was featured in a panel devoted to nexus-related High Impact Opportunities.

CONFERENCE WATCH

Event: **Vienna Energy Forum**

Theme: Sustainable Energy for Inclusive Development

Hosted by: UNIDO, SE4ALL, International Institute for Applied Systems Analysis, Austrian Federal Ministry of European and International Affairs, Austrian Development Agency

Venue: Hofburg Palace, Vienna, Austria

Date: June 18–20, 2015

by Namat Abu Al-Soof and Mohammad Al-Sheha



Lighting the way toward inclusive energy development

In an important year for international development, the latest Vienna Energy Forum examined ways to keep energy at the heart of the global agenda.

The fourth biennial Vienna Energy Forum (VEF) brought together more than 2,500 high-ranking government officials, experts in the field, policy-makers and energy practitioners to engage in a multi-stakeholder dialogue on sustainable energy for inclusive development. The capital's Hofburg Palace hosted discussions on policy, finance, partnerships, technology, capacity building and knowledge management at a time when the focus on sustainable energy development continues to gain global traction.

Building on the groundwork laid by the previous three VEFs, as well as the overarching goals of Sustainable Energy for All (SE4ALL), the three-day event emphasized the numerous opportunities of the post-2015 development agenda and climate plans and showcased the best practices and actions on the ground. Trends such as population growth and urbanization were also discussed as well as the resulting increase in energy demand. Other topics included

South-South cooperation and strengthening the water-food-energy-health nexus.

"We need to transform the world's energy systems by taking a fresh, joined-up approach that can fuel development and at the same time combat climate change," said Dr Kandeh Yumkella, Special Representative of the UN Secretary-General and CEO of SE4ALL, in his keynote address. "We can change the game by mobilizing multiple players—public sector, private sector and civil society—to work together in new partnerships and leverage the necessary large-scale investment."

Previous forums advocated for a separate energy development goal, raised the profile of the UN Secretary General's SE4ALL Initiative and contributed to the advancement of the post-2015 development agenda. This year's forum fell at an especially important time. In the months ahead, several landmark summits will determine energy's place in the global development outlook. The International



UNIDO Director-General Li Yong.



Conference on Financing for Development in Addis Ababa in July could potentially result in an intergovernmental agreement. The new Sustainable Development Goals will be set at September's UN Summit. The Paris Climate Change Conference (also known as the UNFCCC COP21) aims to reach an agreement to limit the acceptable global temperature increase.

Speaking at the opening of the VEF, UNIDO Director-General LI Yong said: "Energy systems can be overhauled to support a sustainable future; they need to be affordable, reliable and environmentally sound."

Director-General Yong also relayed a message to the forum from UN Secretary-General Ban Ki-moon, who said: "You meet at a crucial juncture in world affairs. In the months ahead, we have once-in-a-generation opportunities to steer the world towards truly sustainable development and to take ambitious steps to address the threat of climate change."

Energy and the nexus approach

Referring to energy as the "central nervous system of the world economy," Michael Linhart, Secretary-General of the Austrian Federal Ministry for European and International Affairs, said: "The program of this year's VEF reflects the manifold ways in which energy comes into play: as a nexus with other sustainable development goals, as a driver for urban development and as part of mutual linkages with gender equality and the empowerment of women."

The various speakers acknowledged that SE4ALL had helped to bring everyone to the table, but that the challenge now was

to implement the necessary policies and reforms on a country level. Each country needed to have its own tailor-made plan that took domestic resources into account, in particular the level of available funding. There was a general consensus that a thorough and broad-backed energy plan needed to be integrated into each national strategy.

Along with delivering energy access, the two other SE4ALL objectives—doubling energy efficiency and renewable energy—were also discussed at the forum. Investment in renewables reached US\$270bn in 2014, nearly matching its peak of US\$279bn

set in 2011. Although investment grew in developing countries, it fell in developed countries. This may create a situation where certain developing countries contribute more than some developed ones to increase the share of renewables. China, for example, is planning to convert from a coal-based system to a completely non-fossil fuel-based one by 2050.

With regard to energy efficiency, new regulatory standards, such as in manufacturing, will be key to scaling up to more productive systems. This is how some countries have been able to significantly increase efficiency in a relatively short period of time. According to the International Energy Agency, there is currently around US\$300bn per year in investment in energy efficiency programs. For the upcoming COP21, energy efficiency will be a key topic in discussions about decreasing carbon emissions.

How to finance energy projects was another popular topic at the forum. The consensus was that the appropriate regulatory regime had to be in place to mitigate risk and attract the necessary investments. This was deemed particularly relevant for low-income countries, since middle-income countries are more established and therefore require less support to attract investment. According to the forum participants, there is plenty of money out ►



From left: Vijay Modi, Professor, Mechanical Engineering and Director, Sustainable Engineering Lab, Columbia University; Kandeh Yumkella, Special Representative of the Secretary-General and CEO, SE4ALL; OFID Director-General Al-Herbish; Dr Wolsey Barnard, South Africa's Department of Energy.

OFID at VEF



UNIDO Director-General LI Yong presents Mr Al-Herbish with an award in recognition of OFID's longstanding support and contribution to the forum.

OFID Director-General Suleiman J Al-Herbish delivered a keynote speech at a high-level panel session titled "Ending Energy Poverty—Concrete Commitments and Action on the Ground," where he urged partner countries to set a higher priority for energy access projects in their national plans and poverty reduction strategies.

"The sheer magnitude of the funds needed to combat energy poverty underlines the need for contributions from all stakeholders: concerned governments, the international donor community, civil society and the private sector," he said. "This suggests that development priorities will have to be modified, policies adjusted and attitudes changed."

In his speech Mr Al-Herbish also outlined OFID's instrumental role in "pushing energy poverty up the global action agenda" and highlighted OFID's fruitful partnerships with a wide range of stakeholders. The goal, the Director-General said, was not just to leverage resources but also to pool expertise and pursue new opportunities.

"Our objective is ensuring access to modern energy services in a technology-neutral manner," he said. "From our experience, there is no one-size-fits-all solution. The energy mix should satisfy the basic energy needs of the poor in accordance with the conditions of each country." Addressing the forum, the Director-General said OFID's priority was energy access, especially in delivering it to rural areas, which vastly outweighed the urban sector in terms of energy poverty.

At the closing ceremony of the VEF 2015 on June 20, UNIDO Director-General LI Yong presented Mr Al-Herbish with an award to thank OFID for its support and contribution to the forum over the years. A special thank you was also given for OFID's leading role in the fight against energy poverty.

◀ there; the question now is how to bridge the gap between potential and need. The public and private sectors have already been operating both on their own and in partnership; increasing their combined resources even further would ease the financing process.

Last but not least, the participants recognized that the SDGs had to be looked at as a whole, instead of a series of separate silos. Since synergy among the goals is so strong, a wrong approach could easily have a negative impact on the overall success. The water-food-energy nexus (SDGs 6, 2 and 7, respectively) was considered especially integral for the facilitation of all the other SDGs. Focusing on one aspect of the nexus to the detriment of the other two, for instance, would do little to solve the larger problem. Therefore, international initiatives and cooperation were required to expedite the transfer and introduction of new technologies. For Goal 7 (ensuring universal access to affordable, sustainable and modern energy), a clear and comprehensive definition of access would have to be established in order for all stakeholders to make useful progress.

Presenting a unified message

After three days of discussions and deliberations, the organizers of the VEF shared a proposal covering eight separate points. First, attendees recommended that the UN General Assembly approve the SDGs in September, in particular goals 7 (universal energy access) and 9 (build resilient infrastructure and sustainable industrialization). Secondly, climate action is inextricably linked to action on the sustainable development goals. Thirdly, the potential of energy efficiency will go untapped unless effective policies and measures are put in place. Next, to meet the energy efficiency and renewable energy objectives, a significant increase in investment is needed. Further, the nexus between energy, transport, food, water and health needs to be approached in an integrated manner. Subsequently, a greater effort is needed to strengthen the synergies between the three objectives of SE4All. Next, regional approaches and cohesive policy actions are required for lowering transaction costs and promoting economies of scale for regional markets and investments. Finally, sustainable energy and women's empowerment are mutually reinforcing goals. ■

Nigeria enacts landmark human rights legislation

A first of its kind in Africa, Nigeria's Violence Against Persons Prohibition bill (VAPP) seeks to eliminate domestic and gender-based abuses by criminalizing violence against all persons in public as well as private spaces.

The groundbreaking bill was signed into law by departing President Goodluck Jonathan on May 25. Nigeria's newly elected President Muhammadu Buhari assumed office four days later.

In a statement to the *Quarterly*, United Nations Population Fund (UNFPA) representative in Nigeria, Ratidzai Ndhlovu, described the bill's signing as a "triumph for women and girls in Nigeria as it provides a framework for legislative action against perpetrators of gender-based violence."

She continued: "It is a boost to our work to promote the sexual and reproductive health, and reproductive rights of women and young girls. We expect it will catalyze further action for legislative provisions across states and encourage states with no legislation to do so."

Culturally sanctioned practices such as female genital mutilation (FGM), forced marriage and widow abuse are prohibited under the new law, as is wilfully placing a person in fear of physical injury, forceful ejection from the home, forced separation from family and friends, and financial abandonment of spouses, children and other dependents.

VAPP was originally titled the Violence Against Women bill. Reintroduced with broader scope, it now encompasses forms of violence capable of affecting all members of society, such as political violence—around elections, for example—and violence by state actors.

It also acknowledges that offenses previously thought of as specific to females—



PHOTO: FRIEDRICH STARK/ALAMY

The new law is considered a triumph for women and girls as it offers protection against gender-based violence.

for instance, sexual violence—can and do affect males.

Nigeria's House of Representatives passed the current bill some two years prior to its Senate approval on May 5 of this year.

Presiding over the session, Deputy Senate President, Ike Ekweremadu said the bill would protect the most vulnerable members of society.

"The primary responsibility of government is to protect lives and property, and as a responsible arm of government, our primary responsibility is to enact laws that will not only protect our people, but also protect their property," said Ekweremadu.

"Today, we have discharged one of our responsibilities to the vulnerable in terms of violence."

More than a decade in the making, VAPP owes its final passage to a number of

champions both in and outside government.

Foremost among them: the Legislative Action Coalition against Violence Against Women (LACVAW)—a network of over 70 civil society groups, religious organizations and human right groups including UNFPA and the United Nations Children's Fund (UNICEF).

UNICEF Representative in Nigeria, Jean Gough, told the *Quarterly*: "UNICEF is encouraged by the new law...It is our hope that it will be implemented with vigor and all culprits brought to book."

An estimated 140 million women and girls worldwide have undergone some form of FGM, according to the United Nations.

If current trends continue, UN experts predict that an additional 86 million girls worldwide will be subjected to the practice by 2030. ■

PHOTO: CITIZENIDEN, FAYCAL



CNES President, Mohamed-Seghir Babès (right), and UNU Rector, Professor David M. Malone (left) at a press conference announcing the creation of the UNU-IRADDA in December 2013.

Algeria set to launch UN Institute for Sustainable Development

President Abdelaziz Bouteflika ratified an agreement for the establishment of a new United Nations University Institute for Sustainable Development (UNU-IRADDA) on May 13.

Likely to be located within the University of Algiers campus in central Algiers, UNU-IRADDA will focus on resolving—through research, postgraduate education, advanced training and the dissemination of knowledge—some of the pressing challenges of sustainable development, particularly as they relate to the African continent.

Algeria committed to supporting the institute with a US\$50m capital contribution, as well as US\$9.35m in core support for its first ten years of activity. Additional funding is being sought from governments, foundations and the private sector.

UNU-IRADDA aims to become operational in early 2016. Negotiations concerning its founding concluded in late 2013 after nearly a decade of consultations between successive UNU rectors and Professor Mohamed Seghir Babès, President of the National Economic and Social Council. ■

Urban disaster preparedness: Iran rises to the challenge

Home to a majority of the world's population, urban communities—already vulnerable to social, economic and environmental stress—are disproportionately impacted when calamity strikes.

Global efforts to make urban environments more resilient to both natural and man-made disasters gathered momentum at the first *International Seminar on Urban Disaster Risk Reduction and Management*, May 4-7 in Tehran.

Hosted by Iran's Red Crescent Society, the initiative attracted more than 100 experts from the International Federation of Red Cross and Red Crescent Societies (IFRC), United Nations agencies, research centers and government bodies.

As part of the *Tehran Call for Action*, participants pledged to enhance the institutional and operational capacities of the IFRC in urban settings, and to coordinate with other stakeholders (including civil society organizations, the private sector and media) to build resilience in over fifty cities by 2020.

"This seminar is an important opportunity for us to plan for the future together," said Tehran's Mayor, Dr Mohammad Bagher Ghalibaf at the event's opening.

"We must commit to implementing more effective measures as people around the world face increased risks as a result of rapid urbanization."

Tehran was the subject of one of five city-level pilot studies carried out by the IFRC in partnership with the Iranian Red Crescent Society.

Involving a multi-hazard, people centered approach to disaster risk reduction and management, its results informed the seminar's agenda.

Other pilot cities were: Jakarta, Indonesia; Nairobi, Kenya; La Paz, Bolivia; and Yerevan, Armenia.

The Tehran Disaster Resilience Center, established in order to localize best practices and make use of global experiences, also opened this year. Speaking at its April 6 inauguration, Dr Ahmad Sadeghi, president of Tehran's Disaster Mitigation and Management Organization, said planning for urban risk reduction would require research and cooperation at national, regional and international levels. ■



The inauguration ceremony for the Tehran Disaster Resilience Center was attended by a number of dignitaries, including Esmail Najjar, deputy minister of interior and head of NDMO, the national disaster management organization.

PHOTOS: TDRC



Petroleum: An engine for global development

A record 800 participants attended the 6th OPEC International Seminar in Vienna on June 3–4 at which high-level speakers addressed the main issues surrounding today's international energy markets and spoke of the principal challenges facing the industry going forward.

COURTESY OF THE OPEC BULLETIN

For the fourth successive time, the historic Hofburg Palace in the Austrian capital, was chosen as the setting for the premier international event, which has grown to become one of the most important and influential global energy gatherings.

Drawn from all parts of the globe, a cross-section of some of the energy sector's most influential figures, personalities and stakeholders, assembled in the Hofburg's grandiose conference center for the Seminar, which was held under the theme 'Petroleum: An Engine for Global Development.'

Over a very busy two days, participants were treated to some 30 presentations covering all aspects of the energy industry, including global energy outlooks; oil market stability; production capacity and investment; technology and the environment; and prospects for the world economy. ►

OFID urges industry support for energy access

Speaking in Session V, 'Prospects for the world economy,' OFID's Faris Hasan, Director of Corporate Planning and Economic Services, delivered a presentation on energy poverty and the potential for the oil industry to contribute to its eradication. Hasan was representing OFID Director-General, Suleiman Jasir Al-Herbish.

After giving some background to the evolution of OFID's Energy for the Poor Initiative, Hasan went on to explain how the institution had devised a strategy based on three pillars: advocacy, building awareness and momentum; consolidating and expanding action and projects on the ground; and building alliances with the energy industry.

Hasan elaborated that the first step had involved framing energy as the "missing Millennium Development Goal" and working in international forums to secure a place in the global development agenda for the combating of energy poverty.

"This involved advocacy in UN events and seminars, debating with academia, engaging with civil society, and participating in energy conferences over the past eight years," he stated.

In terms of action on the ground, he disclosed that OFID had expanded energy projects in all its operational windows, including public, private and trade, with resources totaling over US\$2.1 bn. This sum, he said, included, among others, support to 65 projects with a total cost of over US\$20bn. Collectively, these projects had provided power



Faris Hasan, Director of Corporate Planning and Economic Services, OFID

exceeding 14,000 megawatts and extended electricity grids by 32,000km.

Hasan stressed that the task of eradicating energy poverty was immense. The required capital investment was significantly high. To reach universal access to modern energy by 2030, 1.3bn more people needed to have access to electricity at an estimated investment of US\$45bn per year, five times the level of 2010.

"This is why energy poverty alleviation is a cause we have championed tirelessly for over the past seven years," declared Hasan.

He said OFID had signed several MOUs with the World Bank, the Asian Development Bank and others to share and leverage resources for the initiative.

"OFID is tackling energy poverty within a coherent framework based on the three interdependent and mutually supportive pillars of sustainable development, namely economic growth, social progress and the protection of the environment.

"OFID, through its assistance, supports the advancement of the three pillars in a balanced way, meaning that environmental issues should not impede human poverty alleviation," stated Hasan.

In addition, he said, OFID supported energy projects that provided integrated solutions, were income generating and maximized local content and ownership.

Fight against energy poverty

"We believe that the fight against energy poverty should be based on sound economic grounds and be technologically neutral," he affirmed.

"With the adoption of the proposed 17 Sustainable Development Goals (SDGs) by the UN General Assembly in September this year, OFID is looking forward to building on this momentum and maximizing the impact of its Energy for the Poor Initiative," he stated.

"We are also looking forward to further developing our partnerships with other stakeholders, including the petroleum industry and utilizing these synergies to deliver on our mandate.



"We would encourage all here today to join us in this noble endeavor: OFID stands ready to work with all".

Hasan said that to build on "this rich background," he wanted to turn to the third and final pillar of OFID's strategy—building an alliance with the energy industry.

"An OFID initiative we value, named Petroleum Industry Support for Universal Energy Access, is an idea we are pursuing in collaboration with the World Petroleum Congress (WPC). And one that was the subject of a jointly hosted symposium at OFID headquarters in Vienna last November," he said.

The main objective of the initiative was to devise a platform for the petroleum industry to advance its contribution to energy poverty eradication.

"The industry is in a unique position to use its resources—in particular its technical expertise and knowledge—to develop creative solutions to the problem of energy access," maintained Hasan.

OFID had recently attended the WPC Leadership Conference on Responsibility, Cooperation and Sustainability in Tromsø, Norway.

"In his keynote speech to the Leadership Perspectives Session, OFID's Director-General Al-Herbish urged oil and gas companies once again to work together to design a platform for the petroleum industry to foster energy access that could be implemented

within the framework of the SE4ALL initiative," noted Hasan.

"Such a platform would serve as a hub for other initiatives involving oil and gas companies and it would enable these companies to contribute to the new SDGs that have been commonly agreed by the international community.

"I refer in particular to SDG7—'Ensure access to affordable, reliable, sustainable and modern energy for all,' SDG13—'Take urgent action to combat climate change', and SDG16—'Promote peaceful and inclusive societies for sustainable development'.

Unite on one platform

"So far, we are working with a number of oil and gas companies to develop this platform, including: Saudi Aramco, Royal Dutch Shell and Total, while others like Qatar Petroleum, Schlumberger, Eni and Austria's OMV have shown interest.

"We believe that it is an opportune time for all the petroleum industry to unite on one platform as 2015 will mark the approval of the SDGs, as well as COP21," said Hasan.

"We wish to reiterate the commitments of OFID to continuous and scaled-up actions on the cause of energy access. We also reaffirm our commitment to work actively with the energy industry, along the line spelled out in the Riyadh Declaration [of the Third OPEC Summit] and SE4ALL," he concluded. ■

◀ In attendance were OPEC oil and energy ministers, non-OPEC oil and energy ministers, heads of major oil companies, international organizations and energy institutions, captains of industry, as well as renowned academics and analysts.

Significant industry gathering

The OPEC Seminar is today recognized as one of the most significant industry gatherings in the global energy calendar. This is primarily due to the caliber of participants and the high level of discussion that takes place on all the leading issues affecting the global energy sector.

Bringing together strategic players that have a bearing on the present and future direction of the international petroleum industry, the Seminar has not only developed a wide outreach across the energy sector, but also encompasses important related areas, such as the global economy, international finance, sustainable development, technological processes, energy poverty and the environment.

And with so many challenging developments taking place in the global energy sector today, there was plenty for the attendees to talk about. Discussions over what turned out to be a very busy two days were intense, topical and extremely relevant.

"It is the fourth time we have held the Seminar in this splendid historic building. It has certainly proven to be the perfect setting for our high-level deliberations," commented Dr Mohammed Bin Saleh Al-Sada, Alternate President of the OPEC Conference, in his opening remarks to the assembled delegates.

Al-Sada, Qatar's Minister of Energy and Industry, highlighted the importance of the gathering, explaining that it allowed participants to examine in detail the main issues affecting the oil industry.

"It also provides an important yardstick as to where we stand today in a global context," he affirmed.

He informed the audience that over the next two days they would hear presentations and debates on the main facets of the global energy scene. "Through the lively discussions that are sure to follow, we will undoubtedly learn from one another by exchanging valuable viewpoints," he stated.

"And who could be more qualified to discuss these issues than the men and women who have left their indelible mark ▶



From left: Abdalla Salem El-Badri, OPEC Secretary-General; Dr Mohammed Bin Saleh Al-Sada, Minister of Energy and Industry, Qatar, and Alternate President of the OPEC Conference; Ali I Naimi, Minister of Petroleum and Mineral Resources, Saudi Arabia.

◀ on the industry and who continue to capably lead it today.

“This includes our own OPEC ministers and ministers from other oil-producing countries, heads of intergovernmental organizations, chief executives of national and international oil companies, industry analysts, academics and the media. The wisdom and insights from these leaders will undoubtedly enrich our discussions,” he added.

Al-Sada also pointed out that OPEC recognized the importance of developing new talent in the industry, which is suffering a manpower shortage in a variety of skill sets, particularly experienced engineers.

“For this reason, we invited students to attend the Seminar. Through the high-level discussions, they will learn more about global energy markets and the role of oil in the world economy. We welcome these individuals who will likely carry the industry’s torch into the future,” he said.

The 12 students that attended were invited from OPEC Member Countries, as well as from the host country, Austria.

Sessions

The Seminar comprised five sessions.

Session I on ‘Global energy outlooks’ looked at present and recent trends and en-

ergy outlooks; analyzed the challenges and opportunities facing the energy industry; and reviewed key global and regional energy developments.

Session II on ‘Oil market stability’ saw participants discuss the importance of cooperation in stabilizing the world oil market; debating the role of interaction between the physical and financial markets; and addressing the strengthening of consumer-producer dialogue.

Session III on ‘Production capacity and investment’ had as its objectives assessing how capacity expansion and investments are managed; discussing trends in demand as a determinant of oil upstream investment; and reviewing prospects for enhancing collaboration between national and international oil companies.

Moving on to the second day of the Seminar, in **Session IV**, entitled ‘Technology and the environment’, delegates gave an overview of technology advancements supporting the oil industry; elaborated upon the role of multilateralism and developments in addressing climate change; and evaluated emerging technologies in the transportation sector.

Session V was held in the form of a panel discussion and covered ‘Prospects for the world economy.’ It identified the chal-

lenges to the world economy and its impact on the oil market; analyzed the evolving paradigm in reconciling economic growth and regulations; and reviewed world efforts on energy poverty eradication.

In closing remarks to the Seminar, the director of OPEC’s Research division, Dr Omar S Abdul-Hamid, spoke of the “very engaging and fruitful meetings and presentations we have had over the last two days.”

He continued: “We have had the unique opportunity to hear from many of the leading figures in the oil and gas industry, not only from OPEC’s Member Countries, but also from other producing and consuming nations, international oil companies, as well as from international organizations and academia.”

These distinguished speakers, he said, had provided valuable insights into the energy industry and prospects for the future through the five sessions.

“The high-quality information, dialogue and discussions we have had together in the last two days underpin OPEC’s goals of supporting stability in the international oil markets through dialogue, communication and cooperation with our many stakeholders.

“Let us all continue to work together to ensure that we achieve the energy security that we all value so much,” he said. ■

Our vision

To aspire to a world where Sustainable Development, centered on human capacity building, is a reality for all.

Our mission

To foster South-South Partnership with fellow developing countries worldwide with the aim of eradicating poverty.



Uniting against Poverty



Uniting against Poverty

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