

Two funds for OIC proposed

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PM wants more aid for poorer members

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PUTRAJAYA: Malaysia has proposed the setting-up of two funds – one for infrastructure and the other for economic development and poverty alleviation – to help poorer Muslim countries.

Prime Minister Datuk Seri Abdullah Ahmad Badawi said the Islamic Development Bank (IDB), the financial arm of the Organisation of Islamic Conference (OIC), had a vital role in mobilising funds for its members.

“The IDB could establish an OIC infrastructure bond fund, to which the central banks of OIC member countries could contribute for infrastructure projects in member countries.

“Another approach is for OIC countries to revitalise the *zakat* (tithe) and *wakaf* (endowment)

institutions to address poverty and development,” he said when opening the IDB Board of Governors meeting yesterday.

Abdullah, who is chairman of the IDB board, said: “We could establish a *wakaf* fund, to be called the universal *musyarakah* (partnership) fund, which can be modelled as a development aid fund.”

The Prime Minister said the two-day meeting was important as the IDB carried the aspirations of 1.4 billion Muslims.

“Let this meeting not be distinguished by mere polemic, rhetoric or empty slogans – as just another ‘talk shop’ to consider the problems of the Muslim world and then we go back to our respective home-empty-handed.

“Rather, let this meeting be evoked as an important point in the transformation of Muslim societies, where unity was met

with resolve and determination, to improve the lot of Muslims.”

In a press briefing, Second Finance Minister Tan Sri Nor Mohamed Yacop said Malaysia hoped the infrastructure fund could be formed by next year when the IDB governors convened their annual meeting.

“The amount will be discussed but tentatively the figure of US\$10bil (RM38bil) will be a decent amount,” he said.

In another development, Tun Dr Mahathir Mohamad has been appointed to chair the Islamic Development Bank Vision Commission to devise plans for the IDB.

Abdullah, in making the announcement, said he hoped the commission would formulate a vision to guide the IDB.

The commission would have 10 to 12 members.