



# GLOSSARY OF IDB GROUP TERMINOLOGY

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*of*  
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# Glossary of IDB Group Terminology

Sr. No.	Word	Meaning
1	AAOIFI	Accounting and Audit Organization for Islamic Financial Institutions. It is a Bahrain-based institution which issues Islamic <i>Shari'ah</i> and governance standards to be followed by Islamic financial institutions.
2	Additional Works	Work carried out through the use of supplementary financing.
3	Admin Fees	Fees payable by clients to the bank or financial institution for processing and monitoring of a loan.
4	Advance billings (ICIEC)	A share of total amount of premiums invoiced during a period, relating to medium-term and long-term business, belonging to the future periods.
5	Advisory Board (ICD)	A group of renowned personalities who are experts in the field of the ICD activities and provide expert advice in the conduct of ICD's business.
6	Agency Fees	An annual fee, calculated as a lump sum or per bank per annum, payable by a beneficiary to compensate an agent for the mechanical and operational work performed under a loan contract.
7	Agent Bank	A bank responsible for administering a loan and acts as a conduit for all payments in a syndication loan.
8	Amortization	A gradual repayment of a loan over time in a series of installments

9	Amount of Applications ( <i>ICIEC</i> )	Amount of <i>Credit Limit Applications</i> (CLAs), <i>Contract Applications</i> (CAs), <i>Financing Operations</i> (FOs) and <i>Investment Applications</i> (IAs) received during the Year or Quarter (calculated on the basis of reception date).
10	Amount of Approvals	<i>Context 1 (general)</i> : Amount of money approved by authorized body for a project or operation.
		<i>Context 2 (ICIEC)</i> : Amount of Individual Credit Limits (ICLs) (i.e. <i>Credit Limit Applications</i> (CLAs), <i>Contract Applications</i> (CAs), <i>Financing Operations</i> (FOs) and <i>Investment Applications</i> (IAs) approved) issued during a year or a quarter (calculated on the basis of Decision Date).
11	Approvals cancelled and expired ( <i>ICIEC</i> )	Amount of ICLs cancelled (for non utilization, claim notification or indemnification, policyholder request, adverse information) or expired during the year or quarter (calculated on the basis of Cancellation or Closing Decision Date).
12	Approved Bank for Guarantee	A bank acceptable to IDB to provide a third-party guarantee on a financing operation.
13	Approved Bank for Placement	A bank acceptable to IDB for placement of liquid funds.
14	Approved Operation	An operation approved by the BED or President of IDB depending on authority.
15	Arranger	A bank or other financial institution responsible for originating and syndicating a transaction. The arranger may not necessarily be the agent or participant in the transaction.

16	Arranger Fees	Fees payable to an arranger in syndication for the origination of financing deal.
17	Assignment of Receivables	A beneficiary that assigns its receivables from sales as a guarantee of repayment of amounts due to IDB under the terms of financing.
18	At par ( <i>Sukuk</i> )	A Sukuk issued at a price equal to its face (or par) value.
19	Authorized Capital	Maximum amount of capital an entity in IDB Group is authorized to raise in accordance with its Articles of Agreement as determined by the Board of Governors.
20	Awqaf Properties Investment Fund	A fund established by Awqaf ministries, Awqaf directorate, and Islamic banks including IDB for the development of <i>Awqaf</i> properties around the globe.
21	Balloon Payment	Final repayment of installment which is substantially larger than earlier installments. E.g. in four installments of 15%, followed by a balloon of 40%.
22	Bank Master Policy (BMP) ( <i>ICIEC</i> )	Insurance policy to cover receivables of financial institutions related to their cross border finance transactions which operate in accordance with the principles of Shari'ah.
23	Beneficiary	A recipient of IDB financing.
24	Bullet Payment	A one time payment of a principal and a mark up on the maturity of a loan.
25	Business Insured ( <i>ICIEC</i> )	Amount of shipments (under Comprehensive Short Term Policy (CSTP) and Supplemental Medium Term Policy (SMTP)), disbursements (under Bank Master Policy (BMP)) and insured amount (under investment insurance policies) declared to ICIEC by the policyholders for a period under consideration.

26	Call/Short Notice Account	A bank account where money is deposited and withdrawn at any time in expectation of minimum rate of return for a period from overnight to 1 week.
27	Callable Capital	There are two categories of callable capital: (a) 70% of 2nd General Capital Increase which the Bank can call for cash payment by Member Countries as and when so decided by the Bank; and (b) 100% of shares subscribed under the 3rd General Capital Increase which the Bank can call in order to meet its obligations for raising funds from the market.
28	Called-up Capital	A portion of subscribed share capital that has been called for payment in a predetermined time-frame under the terms of the subscription.
29	Cancellation	A project or operation or any part thereof which is cancelled by the Board or the IDB President.
30	Capacity ( <i>ICIEC</i> )	The difference between the Aggregate amount of Contingent Liability assumed by ICIEC (Aggregate Contingent Liability (ACL)) and the maximum aggregate amount of contingent liability which may be assumed by ICIEC (Maximum Aggregate Contingent Liability (MACL)). In other words, it represents the amount available for cover (for whole ICIEC, or for any country or for non-member country or for reinsurance) which may be allocated by ICIEC to its policyholders at a point of time.
31	Case by case ( <i>ICIEC</i> )	A country not in the list covered but can be considered on individual basis.
32	CASS	Country Assistance Strategy Study. It provides a review, with member country, of priority development needs of the country. It is also used to identify list of operations to meet those development needs.

33	Claims under consideration ( <i>ICIEC</i> )	Amount of claims notified by policyholders and not yet settled or rejected by <i>ICIEC</i> . That is, the amount of notification of probable loss declared by policyholders less claims settled and claims rejected.
34	Clean Financing	Financing extended solely on the basis of financial strength of the beneficiary in which no guarantee or security is required by the IDB.
35	Co-Arranger	A second level mandated underwriting bank or financial institution in a syndication loan.
36	Co-Financing	A financing arrangement in which more than one lender contributes to funding a project under the same or different terms and conditions.
37	Co-Manager	A bank or financial institution committing to a third level of participation in a syndication operation.
38	Commercial risk	Risk related to the performance or non-payment of a third party.
39	Commitment	<p><i>Context 1 (general):</i> Total amount of all contracts signed with contractors, consultants and / or suppliers under a project.</p> <p><i>Context 2 (ICIEC):</i> The amount of contingent liability assumed by the <i>ICIEC</i> at any point of time. In other words, it includes all valid approval which can be utilized by policyholders under export credit insurance, investment insurance and reinsurance schemes.</p>
40	Commodity Placement	Short-term placement of funds in an inter-bank market based on <i>Murabaha</i> contract.

41	Comprehensive Short Term Policy (CSTP)	Insurance policy to cover repetitive shipment of raw materials, commodities and light manufactured goods under which credit extended to buyers does not exceed 360 days.
42	Concessional Financing	Financing extended by IDB under soft terms for Ordinary Loan (including Technical Assistance) or LDMC Loan facility.
43	Consultant	A firm or individual offering professional services on matters relating to projects & operations.
44	Contractor	A firm hired to do a specific task or work(s) for a project.
45	Contract limit application or Contract Application (CA) (ICIEC)	Applications received from policyholders to cover commercial and non-commercial risks on a contract for credit period more than 1 year.
46	Corporate Guarantee	A guarantee of payment from the beneficiary's parent company
47	Cost of Funds	Cost of raising funds in the capital markets. In the context of IDB, it is the cost, in real terms or notionally, of raising funds from its shareholders or from other sources.
48	Country Allocation	Resources allocated for operation in a country in a given year.
49	Country assessment	A detailed report on country's creditworthiness.
50	Country Ceiling (ICD)	Maximum exposure that the ICD can accept in a given country.
51	Country classification	A grade given to a country after a through country assessment.
52	Country review	A specific update on a country report or a regular review of countries.

53	Country watch list ( <i>ICIEC</i> )	A list of countries that are facing serious economic or political situation.
54	Coupon ( <i>Sukuk</i> )	An annual rate of return payable on a Sukuk issue determined upon issuance and expressed as a percentage of par.
55	Cover attitude ( <i>ICIEC</i> )	Conditions required extending a cover to a country.
56	Covered country ( <i>ICIEC</i> )	A country where <i>ICIEC</i> can consider cover.
57	Credit limit ( <i>ICIEC</i> )	A maximum limit of insurance cover fixed on a buyer after due assessment of the commercial and political risks associated with it and represents maximum amount which <i>ICIEC</i> will compensate to the insured (policyholder) in case of loss in respect of that buyer.
58	Credit Limit Applications (CLAs) ( <i>ICIEC</i> )	Applications received from policyholders to cover commercial and non-commercial risks for shipments to be made to a buyer on repetitive basis for credit period less than 1 year.
59	Direct Financing	A non-equity term loan financing in which a financial institution provides financing from its own resources.
60	Disbursement	A payment made by IDB Group at the request of a beneficiary, as per the guidelines and terms and conditions under a financing agreement.
61	Documentary Collection	A method of settlements in International Trade where payment to the seller is subject to the buyer's acceptance of the documents/draft presented to the buyer's bank (without L/C).
62	Documentary Credit Insurance Policy (DCIP) ( <i>ICIEC</i> )	An insurance policy to protect the ILC confirming bank against the non-payment by the ILC issuing bank.

63	Documentation Bank	A bank or institution that is responsible for legal documentation of syndication.
64	Donor countries (TCP)	Donor countries are countries that possess capacities and experience that can be used in promoting Technical Cooperation for which they are playing an active role in the promotion and application of IDB-TCO, mainly by sharing their capacities and experience with other member countries.
65	Effectiveness of Financing Agreement	Status of a signed Financing Agreement when it comes into force after satisfying all conditions precedent to effectiveness (as specified in the Financing Agreement) by the beneficiary (e.g. provision of guarantee / security, legal opinion of counsel to the Beneficiary, etc.)
66	Equity Participation	A mode of financing used by the IDB whereby the Bank participates in the share capital of enterprises on a long-term basis.
67	Escrow Account	An account opened with a financial institution to accumulate and hold the proceeds of the assigned receivables for repayment on due date(s) of amount due to IDB under the terms of financing.
68	EURIBOR	Euro Inter Bank Offered Rate.
69	Executing Agency	An agency in a country that is responsible for project/operation implementation.
70	Export Credit Insurance	Offers cover against non-payment by an exporter's foreign buyers for goods or services supplied to them.

71	Export Finance Scheme (EFS)	A trade financing scheme used by IDB to export goods from one OIC country to another. The Scheme was initiated by the OIC Standing Committee on Scientific and Technological Cooperation (COMCEC) and launched by IDB in 1408(1987) as a special fund to promote export trade of OIC member countries participating in the Scheme.
72	Exposure	<p><i>Context 1:</i> A limit to which IDB Group can be financially exposed in a given counter part or sector (i.e. Country, entity, bank, sector).</p> <p><i>Context 2 (ICIEC):</i> The maximum amount that ICIEC is liable to pay at any given time. It means that in case of total loss ICIEC will be committed to pay up to that amount.</p>
73	External Fund Manager	An institution that is entrusted with the management of some funds owned by IDB in accordance with the terms and conditions of the fund management agreement.
74	Financing Agreement	An agreement signed between the Bank and beneficiaries of its financing (obligors) stipulating all terms relating to that financing.
75	Focal point ( <i>TCP</i> )	A national institution designated by a member country to be responsible for IDB technical cooperation.
76	Foreign Investment Insurance Policy (FIIP) ( <i>ICIEC</i> )	An insurance policy to cover the investors for their investments in member countries against non-commercial risks in the invested country.
77	Front end Fees	A fee calculated as a percentage of the principal value of an issue of securities (loan) which is payable once at issue.
78	Gestation Period	A period between the first disbursement and completion of a project.

79	Global Indicative Cover Availability (GICA) ( <i>ICIEC</i> )	Availability of indicative cover for each insurance policy, or all policies in force, or policies issued cumulatively since inception of business.
80	Grace Period	A period allowed to the beneficiary of IDB's financing (obligor) before commencing repayment of the financing extended to it.
81	Gross premiums ( <i>ICIEC</i> )	Total amount of premiums, invoiced during a period, adjusted for the movements in the advance billings.
82	Guarantees / Securities	Securities provided to cover the credit risks of an operation. Examples include Government guarantees, bank guarantees, insurance cover provided by credit insurance companies, etc.
83	Hijra Year	An Islamic lunar calendar system comprising 12 months: Muharram, Safar, Rabi al-Awal, Rabi al-Thani, Jumadal-Awal, Jumada al-Thani, Rajab, Sha'ban, Ramadan, Shawal, Dhul Qa'da, and Dhul Hijjah. Hijra Year. It contains 354 days which is about 11 days less than the Gregorian calendar system.
84	ICD	Islamic Corporation for the Development of the Private Sector. A private sector entity of the IDB group whose mandate is to address the development needs of its members through private sector interventions.
85	ICD- member country	Member countries of the ICD are those members of the Islamic Development Bank which have signed and ratified the Articles of Agreement establishing ICD.

86	ICIEC	Islamic Corporation for the Insurance of Investment and Export Credit. An autonomous corporation that supports private sector activities in member countries through provision of insurance protection cover to exporters and investors against political and commercial risks associated with export credits and investment flows.
87	ICL ( <i>ICIEC</i> )	Individual Credit Limit
88	ID LIBOR	A weighted average of the component currencies respective LIBORs of the ID/SDR.
89	IDB Unit Investment Fund ( <i>UIF</i> )	A trust fund managed by IDB and established in 1409H (1989). It is a resource mobilization vehicle that allows IDB to sell completed operations and projects to the UIF which in turn, sells them, in the form of units (shares), to investors.
90	<i>Ijara Muntahia Bitam leek</i>	A lease that concludes with the legal title in a leased asset passing to the lessee.
91	Implementation Period	A period starting from the date of approval of the financing by IDB up to the completion date of the project/operation.
92	Import Trade Financing Operations ( <i>ITFO</i> )	A short term trade financing scheme for import of commodities of developmental nature required by member countries while promoting the flow of trade among them.
93	Imprest Account	A revolving special account used by the Bank to provide adequate flow of funds to the beneficiary for financing eligible expenditures.
94	Infrastructure Fund	A fund established by IDB and other Islamic banks for infrastructure development in the Islamic world.

95	Installment sale	A mode of financing whereby IDB purchases machinery and equipment, then sells them to the beneficiary at a higher price, repayment being in installments. The ownership of the asset is transferred to the purchaser on delivery.
96	Interfund Account	An account which is used to record the movement of funds between various Entities/Funds within the Group.
97	Intra-trade	Trade among the OIC member countries in commodities originating from one member country to another.
98	Investment	Surplus liquid funds not immediately needed for operations which are placed in the financial markets on a short-to-long term basis with an objective to generate a commensurate income.
99	Investment Deposit Scheme	An investment scheme of the IDB whereby the IDB accepts deposits from investors and uses such deposits to make short-term investment through participation in the foreign trade financing operations of the bank in conformity with the principles of <i>Shari'ah</i> .
100	Investment Insurance Application (IA) (ICIEC)	An application received from investors for investment policy to cover the non-commercial risks for the investments made in a member country of ICIEC.
101	Invoiced premiums (ICIEC)	Total amount of premiums (relating to short-term, medium-term and long-term business) invoiced during a period.
102	Irrevocable Commitment to Reimburse	A mode of payment in which IDB, at the request of the beneficiary, irrevocably agrees to reimburse a commercial bank for payment to be made to a supplier under a letter of credit.

103	IRTI	Islamic Research and Training Institute. It was established in 1981 (1401H) to undertake research, training and information activities on Islamic economic, financial and banking issues.
104	Islamic Banking	A banking system where related transactions and activities are conducted in accordance with the tenets of <i>Shari'ah</i> that allows asset-backed financing and prohibits interest-based dealings.
105	Islamic Banks Portfolio (IBP)	A trust fund managed by IDB which was established in 1407H (1987) by 20 Islamic banks and financial institutions (IBFI). Its objective is to mobilize the resources available with IBFI and the savings of individuals and channel them to finance trade & projects.
106	Islamic Dinar	A unit of account of IDB which is equivalent to one Special Drawing Right (SDR) of the International Monetary Fund (IMF).
107	Issued Capital	An amount of authorized capital that has been issued by the Board of Governors of the IDB for subscription by the member countries.
108	<i>Istisna'a</i>	A medium-term mode of financing. It is a contract for manufacturing (or construction) whereby the manufacturer (seller) agrees to provide the buyer with goods identified by description after they have been manufactured/constructed in conformity with that description within a pre-determined time-frame and price.
109	LDMC	Least Developed Member Country
110	Lead Arranger	A lead bank responsible for initiating a transaction with a beneficiary and for implementing the transaction.
111	Lead Manager ( <i>Sukuk</i> )	An investment bank which has primary responsibility for organizing a given <i>Sukuk</i> issuance.

112	Leasing or <i>Ijara</i>	A medium-term mode of financing, which involves purchasing and subsequently transferring of the right of use of the equipment and machinery to the beneficiary for a specific period of time, during which the IDB retains the ownership of the asset.
113	Leasing Funds	A fund for investing in leased assets.
114	Legal Fees	Fees payable by a beneficiary in a financing arrangement to cover the legal costs of the transaction.
115	Letter of Comfort	A letter issued by an entity (Ministry, Parent Company, or Bank) merely acknowledging approval of the financing requested by a beneficiary.
116	Letter of Credit (LC)	An instrument to facilitate international trade in goods and equipments. It is an undertaking by a commercial bank to pay the beneficiary (supplier) upon presentation of documentary proof that all the terms and conditions of the LC have been fully fulfilled.
117	LIBID	London Inter Bank Bid Rate
118	LIBOR	London Inter-Bank Offered Rate.
119	Line of Financing	A financing facility made available to financial institutions in member countries to finance projects and trade operations of small and medium enterprises.
120	Loan	A mode of financing used by the IDB to finance projects in member countries, particularly its least developed countries. It is interest-free and carries only a service fee intended to cover the actual costs of administering the loan. The repayment period ranges from 15 to 25 years including a grace period of 3 - 7 years.

121	Manager	A bank or financial institution committing to the second level of participation in syndication.
122	Manufacturing Period	A period of manufacturing as defined under the <i>Istisna'a</i> financing agreement.
123	Mark-up	A profit margin which IDB earns on its operations.
124	Maturity Date	A date on which a loan, <i>sukuk</i> , or deposit becomes due and payable.
125	Member Country	A country that has subscribed to the capital of IDB, accepted the terms and conditions setup by the Board of Governors, and is a member of the Organization of Islamic Conference (OIC).
126	Mode of Financing	A Shari'ah-compatible instrument which is used by IDB to extend financing depending on the nature of the underlying project or operation and the party to which the financing is extended. E.g. <i>Murabaha</i> , loan, leasing, installment sale, equity participation, etc.
127	Modes of Disbursement	Four major methods used for payment of funds under IDB financing: Direct Payment; Reimbursement; Irrevocable commitment; and Imprest Account.
128	Mudaraba	A form of partnership where one party provides the funds and the other provides the expertise and management. Any profits accruing are shared between the two parties on a pre-agreed ratio, while the capital loss is borne by the fund provider.
129	Mudaraba Agreement	A set of legal agreements signed between the parties to a syndicated financing, usually includes a financing agreement.

130	Mudarib	A contracting party in a <i>Mudaraba</i> financing which acts in a fiduciary capacity as the agent or fund manager.
131	Mudarib Fees	Fees payable to a <i>Mudarib</i> in its capacity as the fund manager.
132	Murabaha	A contract of sale between a buyer and a seller in which a seller purchases the goods needed by a buyer and sells the goods to the buyer on a cost-plus basis. Both the profit (mark-up) and the time of repayment (usually in installments) are specified in an initial contract.
133	<i>Musharaka Mutanaqisa</i> (or diminishing/declining participation)	An "equity sharing" Islamic financing technique used for financing projects. It uses different types of profit and loss sharing partnerships. The partners (entrepreneurs, bankers, etc) share both the capital and the management of a project while the profits are distributed between them according to pre-determined ratios based on their equity participation.
134	National Agencies ( <i>EFS</i> )	An institution designated by a participating country in Export Financing Scheme (EFS) to act as its agent for the Scheme.
135	Net premiums ( <i>ICIEC</i> )	Gross premiums less the policy acquisition costs and premiums ceded to reinsurers (net of commissions received).
136	Number of Applications ( <i>ICIEC</i> )	Number of CLAs, CAs, FOs & IAs received during the Year or Quarter (calculated on the basis of reception date)
137	Not-yet-due	An amount payable by beneficiaries/ Member Countries for installments that have not reached their maturity dates.

138	Number of Approvals	<i>Context 1 (general)</i> : The number of projects or operations approved by the authorized body for a country or sector.
		<i>Context 2 (ICIEC)</i> : Number of ICLs (CLAs, CAs, FOs & IAs approved) issued during the Year or Quarter (calculated on the basis of Decision Date)
139	Off-cover ( <i>ICIEC</i> )	Risk is considered prohibitive
140	Offering Circular ( <i>Sukuk</i> )	A legal document offering securities for sale prepared by the issuer. It must explain all the terms and conditions of the issue so as to enable the investor to make an informed investment decision.
141	Open accounts	A cover without security
142	Operation	A developmental activity, programme, or transaction approved for financing, in a given country or region, by a designated authority in IDB.
143	Ordinary Capital Resources (OCR)	Comprises (i) the capital subscribed in accordance with Article 5, (ii) deposits placed with the Bank pursuant to Article 8, (iii) amounts received in repayment of loans, from the sale of its equity holdings, (iii) amounts received in repayment of loans, from the sale of its equity holdings and as income from investments related to its ordinary operations, and (iv) any other funds raised or received by the Bank or placed at its disposal, or income received by it, which do not form part of IDB Waqf Fund Resources and Trust Fund Resources.
144	Ordinary Operations	Projects or operations financed from the Bank's Ordinary Capital Resources (OCR).

145	Over payment	Excess amount of money paid by a beneficiary of IDB financing in the course of repaying installment due.
146	Overdue on Share Capital	A portion of the share capital that has become due for payment but remains unpaid after its due date.
147	Paid-up Capital	An amount of Share Capital actually paid by IDB Member Countries as shareholders of the Bank.
148	Paying Agent ( <i>Sukuk</i> )	An agent responsible for making coupon payment to <i>Sukuk</i> holders on behalf of the issue.
149	Penalty Fees	Fees levied on a beneficiary for failing to repay loan installments on due dates. These fees are usually transferred to charity organizations.
150	Pipeline Operations	Projects or operations expected to be processed in the future.
151	Placement with Islamic Banks	A short-term investment placed with an <i>Islamic</i> bank/financial institution and covers <i>Murabaha</i> and <i>Mudaraba</i> placements.
152	Policies Cancelled ( <i>ICIEC</i> )	Insurance policies that are cancelled or not renewed by <i>ICIEC</i> or by the policyholder.
153	Policies in Force ( <i>ICIEC</i> )	Active insurance policies. It is the difference between total numbers of policies issued since inception of <i>ICIEC</i> and total policies under renewal (and cancelled).
154	Policies Issued (cumulative) ( <i>ICIEC</i> )	Insurance policies issued since inception of business of <i>ICIEC</i> (including policies cancelled and under renewal).

155	Policies Issued (New) ( <i>ICIEC</i> )	New policies issued during the Year or Quarter (calculated on the basis of date of signature of policy by the President/General Manager).
156	Policies Renewed ( <i>ICIEC</i> )	Policies that are renewed automatically under the same conditions plus policies renewed non-automatically under new conditions (calculated on the basis of date of acceptance of offers).
157	Policy ( <i>ICIEC</i> )	A formal insurance contract signed by the IDB President/General Manager and issued to the policyholders of ICIEC's Member Countries (exporters, banks, financial institutions, investors).
158	Policy Acquisition Costs ( <i>ICIEC</i> )	Fees paid to local agents of ICIEC in various countries.
159	Policy fee earned ( <i>ICIEC</i> )	Total amount of fees invoiced during a given period.
160	Political risk	A non-commercial risk in a given country
161	Premium earned ( <i>ICIEC</i> )	A portion of net premiums that is considered to have completed the earnings process for a given period. This represents the net premiums adjusted for the movements in the unearned premiums.
162	Premium Income ( <i>ICIEC</i> )	Total premium and fees invoiced by ICIEC to its policyholders - premium: invoiced during a given year or quarter (calculated on the basis of invoice date) - Fees: invoiced during a given year or quarter (calculated on the basis of invoice date).

163	Profit-Sharing	A financing technique that involves pooling of funds by two or more parties in order to finance a particular venture. Each partner obtains, in accordance with the terms and conditions of partnership, a percentage of (net) profit accruing from the venture. The profit accrued or loss incurred is shared proportional to each partner's contribution in the capital of the venture.
164	Program	A short-term plan of several projects or operations for achieving the developmental objectives in a given sector of a country.
165	Prohibitive risk	Risk of a country that is in dire straights, mostly for political reasons.
166	Project	A tangible or intangible developmental activity with a defined scope, specific end results (or deliverables) and assigned resources approved by a designated authority in IDB for a given country or region.
167	Project Activity	Steps in project implementation aimed at completing a project.
168	Project Appraisals	A phase in the project cycle involving the final review of project information including technical, financial, legal details etc. and preliminary agreement of the same with the Executing Agency.
169	Project Completion	Activities under a project that have been fully completed as stated in the financing agreement.
170	Project Component	Distinct activities within a project such as civil works, equipment, consultancy, etc.
171	Project Cycle	Different phases that a given project must go through.

172	Project Follow-up	A phase in a project cycle involving review and monitoring of the status and taking necessary corrective steps to achieve a successful project completion.
173	Project Implementation	A phase in a project cycle involving the actual works and tasks that are needed to achieve the objectives of a project.
174	Project Management Unit (PMU)	An entity setup within an Executing Agency to oversee project implementation and to interact with IDB.
175	Project Preparation	A phase in a project cycle involving collection of information on a project for which a feasibility report is not available in order to process it in the Bank.
176	Project Savings	Un-utilized balance arising from the financing of project or operation upon its completion.
177	Project Status	Achievement level of a project in terms of physical & financial progress at a given date.
178	Promissory Note	A legal document signed by a beneficiary in favour of IDB for a financed amount.
179	Real Estate Fund	A fund for investing primarily in real estate properties whereby investors can buy units or shares.
180	Rebate	An incentive offered to beneficiaries of IDB financing for timely repayment of dues.
181	Red Herring ( <i>Sukuk</i> )	A preliminary offering circular or prospectus.
182	Remuneration	Fees paid to National Agencies and/or financial institutions for services rendered on behalf of IDB.

183	Repayment Period	A period of repayment of financing extended to a beneficiary by IDB.
184	Repayment Schedule	A schedule showing repayment installment amount(s) and their due date(s).
185	Request for extension	A request by a department to extend opening the first L/C to a given period.
186	Request for extension of utilization	A request by a department to extend the disbursement period which is normally 12 months after the first disbursement.
187	Resource Allocation	Allocation of resources to various mode of financing, sectors and member countries as part of annual operations plan.
188	Resource Mobilization	A process of generating resources either from member countries or from the capital market.
189	Revolving facility	An amount of financing that is automatically reinstated after the full utilization against same set of documentation.
190	Road show ( <i>Sukuk</i> )	A series of meetings/presentation with potential investors conducted by an issuer and its lead manager prior to a securities issuance.
191	RRP	Report and Recommendation of the President.
192	RRVP	Report and Recommendation of the Vice President.
193	Scholarship	A programme of IDB used for offering scholarships to citizens of member countries and Muslim communities in non-member countries. The programme has been in existence since 1404H.

194	Sector	An area of intervention by IDB in socio-economic development of member countries viz. agriculture, public utilities, transportation, etc.
195	Sector Allocation	Resources earmarked for a given sector in a given year across the entire IDB portfolio.
196	Secure terms ( <i>ICIEC</i> )	Risk mitigating conditions for cover.
197	Share Capital	Shares of Member countries in the capital of the Bank or its affiliates.
198	<i>Shari'ah</i>	Islamic law, governing the life of Muslims, which is derived from the Holy Qur'an and Sunnah.
199	<i>Shari'ah</i> Committee	An independent body comprising specialized jurists in <i>fiqh almua malat</i> (Islamic commercial jurisprudence) responsible for directing, reviewing supervising the activities of the Islamic financial institution in order to ensure that they are in compliance with <i>Shari'ah</i> Rules and Principles.
200	Shipping documents	All documents related to a shipment. Example includes invoice, bill of lading, certificate of origin etc.
201	Shipping guarantee	A document used to clear goods in absence of bill of lading.
202	Shortfall	An amount by which payments received by IDB are less than the corresponding repayment installment amount(s).
203	Specific request assessment	An assessment on a specific inquiry.

204	Special Purpose Vehicle (SPV) ( <i>Sukuk</i> )	A business entity formed solely to accomplish a specific task. In the case of <i>Sukuk</i> Issuance, it is the entity that issues <i>Sukuk</i> certificates.
205	Specific Transaction Policy (STP) ( <i>ICIEC</i> )	An insurance policy to cover a specific transaction for export of goods or services.
206	Spread	Agreed percentage added to a benchmark to arrive at the total mark-up to be charged in financing operations.
207	Standby L/C	An undertaking by the issuing bank to pay a beneficiary in case of non-performance of the applicant.
208	Start-up Workshop ( <i>TCP</i> )	A workshop held once the implementation of a project is about to start. All stakeholders are invited to the workshop where the IDB policies and procedures are presented.
209	Structuring and Arrangement fees	Charges paid by a beneficiary in syndication to the arranger(s) for originating and structuring a transaction.
210	Subscribed Capital	Amount of issued capital that has been subscribed by the IDB member counties.
211	<i>Sukuk</i>	An asset-backed bond which is designed or structured in accordance with <i>Shari'ah</i> and may be traded in the market.
212	<i>Sukuk</i> Pool	A group of assets that are pooled together and securitized for the purpose of issuing <i>Sukuk</i> .
213	Supplementary Financing	Additional funds needed over and above the approved amount to meet project objectives.
214	Supplemental Medium Term Policy (SMTP) ( <i>ICIEC</i> )	Insurance policy to cover shipment of consumer durables, capital, semi-capital goods where credit extended to buyers exceeds 360 days.

215	Supplier	An individual or a firm selected to provide equipment, materials or commodities against a specific contract.
216	Syndicated Financing /Syndication	A highly structured group of financial institutions that lend to a beneficiary under common terms and conditions.
217	Technical Cooperation Program (TCP)	A collaborative instrument established by IDB to sufficiently exploit the abundant potential resources available in the Muslim Ummah through enhancing the exchange of experts, skills and knowledge and adoption of appropriate technologies suited to the resources endowments of the member countries.
218	Transfer risk (ICIEC)	Inability to obtain foreign currency in a country or to transfer it elsewhere.
219	Tripartite principle (TCP)	A cooperation between the IDB and its member countries' activity whereby IDB coordinates with two or a group of donor(s) and beneficiary(s) to cooperate on a bilateral or multilateral basis in order to mobilize and exchange skills, talents and technical know-how for the achievement of socio-economic development in the countries.
220	Trust Fund	A portfolio of assets managed under a fiduciary relationship between two parties whereby one party administers the assets/properties on behalf of the other.
221	Trustee	<i>Context 1 (general):</i> An entity responsible for managing the activities of a Trust Fund.
		<i>Context 2 (Sukuk):</i> An organization which holds or manages and invests assets for the benefit of another. In the case of IDB Sukuk issue, it is the Special Purpose Vehicle.

222	Two-Step Murabaha Financing	A financing mode used by IDB to provide funding to other banks/financial institutions for financing their trade financing operations and/or IDB mobilizes funds from the banks and financial institutions for its trade financing operations.
223	Underwriting	<i>Context 1 (Resource Mobilization):</i> The purchase for resale of a security issue by one or more investment dealers or underwriters.
		<i>Context 2 (ICIEC):</i> The process of determining the commercial risks, political risks, sector risks, etc associated with issuing of an insurance cover on a policy, a buyer, contract, investment.
224	Undisbursed Commitments	<i>Context 1 (LC):</i> Total irrevocable commitments of the IDB less disbursements made under the L/Cs.
		<i>Context 2 (Resources):</i> Total approvals for active projects/operations that have not been disbursed.
225	Unearned premiums (ICIEC)	Share of net premiums belonging to a given period, subsequent to the balance sheet date, not exceeding one year. This amount is calculated at a rate of 50% of net premiums for the period.
226	Utilization of Savings	Use of project savings to meet any additional project objectives not foreseen at the time of approval.
227	Value Date	The date on which disbursements are debited from or repayments are credited to a designated IDB bank account.
228	Voting Power	Number of votes allocated to each member country based on its contribution to the Share Capital of the Bank.

229	Waqf	An endowment or a charitable trust devoted exclusively for Islamic purposes.
230	Waqf Fund	A trust fund set up in 1399H for financing Special Assistance operations, Scholarship Programme, Technical Cooperation Programme (TCP), the Islamic Research and Training Institute (IRTI), Technical Assistance, LDMCs Special Account, and Adahi Sacrificial Meat Utilization Project.
231	World Waqf Foundation	A foundation set up in Jumada-II 1422H (September 2001) by the IDB's Board of Executive Directors and entrusted with the management of Waqf properties, safekeeping and investment, and using the proceeds in accordance with <i>Shari'ah</i> .
232	Zakah	A religious levy ordained on Muslims and payable annually at a rate of 2.5% net assets to certain beneficiaries prescribed by <i>Shari'ah</i> .