

d) The Unit Investment Fund is a trust fund pooling the savings of individual and institutional investors, and investing these savings in productive projects in member countries. So far it has raised capital amounting to US\$325 million.

e) The Islamic Corporation for the Insurance of Investment and Export Credit (ICIEC) provides export credit insurance to cover non-payment of export credit receivables resulting from commercial and non-commercial (country) risks. Currently, the ICIEC provides only export credit insurance. The investment insurance operations are expected to commence in 1998.

f) The International Islamic Lease Financing Company (ILC) is a joint IsDB financing company with other Islamic banks for the establishment of a leasing company based in Kuwait. The ILC will create specialized leasing companies at the national level in different member countries.

Other financing and business development promotion initiatives

As part of its search for innovative modes of financing compatible with the Shariah, in 1966, the IsDB launched Istisna'a, a medium-term mode of financing for the promotion of trade in capital goods among member countries and the enhancement of production capacity. It is a contract for the manufacturing or construction whereby the seller agrees to provide the buyer with finished goods identified by description after they have been manufactured/constructed in conformity with that description within a certain time and for an agreed price. Financing will be extended to pre-shipment financing of goods, i.e., at the production stage. In addition, Istisna'a will give IsDB a mode of financing for infrastructure projects that cannot lend themselves easily to financing by way of leasing or instalment sale.

3. SPECIAL OPERATIONS

Special operations consist of grants for training or research, for disaster relief, or for furthering Islamic causes.

PROCUREMENT AND REGISTRATION

The Board of the IsDB meets every seventh week to review and approve projects submitted by member countries. The list of approved projects is publicly released by the Bank and can be obtained through the Bank, the recipient country's executing agency, or our office in Jeddah. Canadian firms should monitor the list regularly to verify potential projects.

Though beneficiary countries manage the bidding process, the IsDB retains a reviewing right to accept the recommendation. ICB rules are followed. Companies thus need to approach the