

Faisal Islamic Bank



بنك فيصل الإسلامي
Faisal Islamic Bank
Building The Future Together

Building The Future Together

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Sudan





About Sudan

Sudan is the third largest country in Africa and Arabic speaking countries, 16th in the world (1,886,086 km²) and once the home of an ancient and powerful civilization's. The Country has international borders with 7 Countries: Egypt, Eritrea, Ethiopia, South Sudan, Central African Republic, Chad and Libya. The River Nile travels the country from South to North while the Red Sea covers about 550 miles of eastern coast making Sudan a bridge between Africa and the Middle East. The length of the waterways is 1,723 km, and the area of arable land is about 60m hectares, of which 18,630 km² is irrigated land. The population is estimated at 41.2 million (2020), from many different ethnic group, Sudan united them. Majority youth population, as more than 92% of them are under the age of 55 year. Sudan is characterized by several cultures, which fused together to form the distinctive Sudanese culture. Agriculture, Processing, Finances, insurance & real-estate sectors have a high positive growth rate and contribute to 60% of Sudan's GDP.

Source: (1) Central Bank of Sudan, Annual report. (2) Central Bureau of Statistics. (3) Ministry of Culture and Information.

After decades of heavily imposed sanctions, Sudan out of state sponsors of terrorism list

In December 2020, the United States removed Sudan from the U.S. list of State Sponsors of Terrorism (SSTL) (<https://home.treasury.gov/policy-issues/financial-sanctions/recent-actions/20210519>), removing the biggest barrier to our nation access to international lending institutions and economic development. "Today we return to the international community with all our history, the civilization of our people and the greatness of our country" stated Prime Minister Abdalla Hamdok. He added that the move would help reform the economy, create jobs and attract investment.

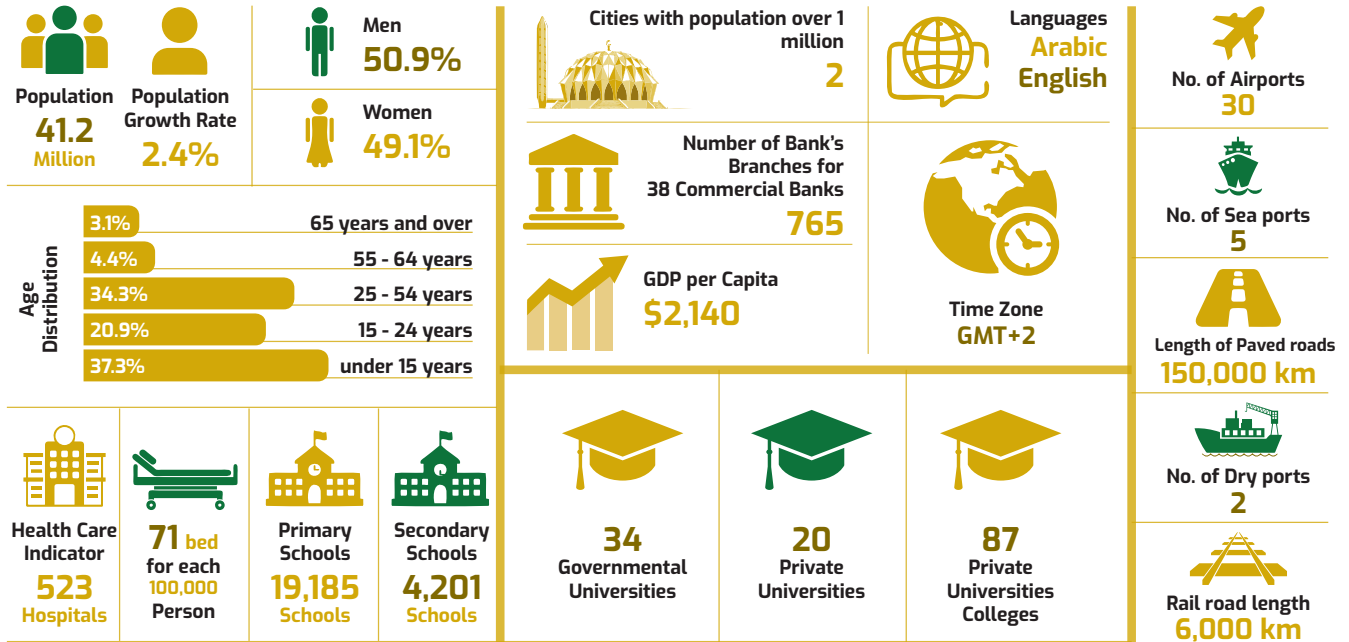
In March and May, Sudan cleared arrears respectively to the World Bank, African Development Bank (AfDB). On May 17, a development partner conference was held in Paris with a side event to promote international investment in Sudan.

Source: IMF Country Report No. 21/142.

Sudan Map



Sudan Snapshot

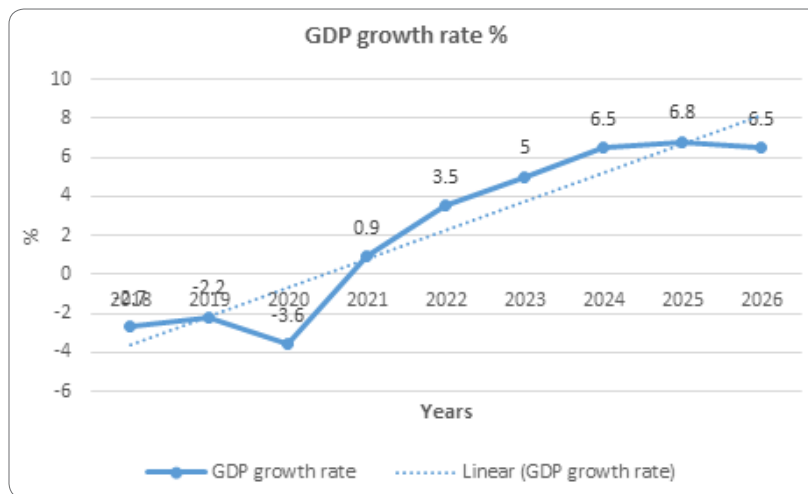


Sources: 1) Central Bureau of Statistics.
 2) Central Bank of Sudan.
 3) Ministry of Finance.
 4) Ministry of Higher Education & Scientific Research

Sudan's economy outlook

Sudan's economy is expected to grow modestly in 2021. In 2020, containment measures to protect human life in the wake of the pandemic reduced economic activity but agricultural production and exports held up and the services sector rebounded quickly following the lock down. GDP is estimated to have contracted by 3.6 percent. With the clearance of arrears to the World Bank, AfDB and IMF unlocking grant resources and positive policy developments such as exchange rate unification and the achievement of the HIPC Decision Point (DP), GDP growth is expected to recover to about 0.9 percent in 2021.

Source: IMF Country Report No. 21/142.



	2018	2019	2020	2021	2022	2023	2024	2025	2026
			Est.	Proj.					
	(Annual change in percent)								
Output and prices									
Real GDP(market prices)	-2.7	-2.2	-3.6	0.9	3.5	5.0	6.5	6.8	6.5
Consumer prices(end of the period)	72.9	57.0	269.3	115.7	271	10.5	8.3	8.0	8.0
Consumer prices(period average)	63.3	51.0	163.3	194.8	42.0	17.6	9.3	8.2	8.0
Monetary Sector									
Broad money	111.8	60.1	90.6	116.8	33.3	16.2	17.0	13.0	9.5
Reserve money	170.5	77.5	119.4	304.2	231	12.5	12.2	8.0	8.0
	(In percent of GDP,unless otherwise indicated)								
Balance of payments									
Exports of goods	10.4	11.1	11.1	14.1	14.7	15.4	15.9	16.5	16.6
Imports of goods	21.1	25.0	25.9	25.1	26.3	26.7	27.0	26.8	26.9
Trade balance	-9.7	-14.0	-14.7	-10.2	-11.0	-10.6	-10.3	-9.4	-9.3
Current account balance	-14.0	-15.6	-17.5	-10.0	-9.5	-9.0	-8.6	-8.1	-8.1
Memorandum items									
Nominal GDP(in billions of SDGs)	1,362	2,030	5,168	15,493	22,690	27,964	32,509	37,505	43,088
Nominal GDP(in \$US billion)*	33.4	33.6	34.4	35.7	37.4	40.0	43.3	47.1	51.1

Sudan

Monetary Indicators

	2018	2019	2020	2021	2022
	In millions of SDG				
Net foreign assets	-290	-297	-436	-3,971	-4,714
Central Bank of Sudan	-300	-313	-473	-4,347	-5,202
Commercial banks	10	17	37	376	488
Net domestic assets	721	986	1,750	6,820	8,512
Broad money (M2)	431	690	1,314	2,849	3,798
Reserve money	264	473	927	1,813	2,012
Currency in circulation	113	281	557	1,001	1,160
Demand deposits	151	192	370	812	852
Quasi money	167	216	388	1,035	1,786
Quasi money	167	216	388	1,035	1,786
	%				
Broad money to GDP					
Money to broad money	61.2	68.6	70.5	63.7	53.0
Currency in circulation to M2	26.2	40.8	42.4	35.1	30.6
Net credit to the government to GDP	20.4	23.2	13.6	16.6	13.1
Credit to the economy to GDP	11.8	10.7	7.6	4.2	4.8
Velocity (GDP/M2, eop)	3.2	2.9	3.9	5.4	6.0
Money multiplier (M2/reserve money, eop)	1.5	1.3	1.2	0.6	0.7

Financial Soundness Indicators

Capital Adequacy	2018	2019	2020	2021	2022
Regulatory capital to risk-weighted assets	18.7	16.2	9.9	15.4	11
Regulatory Tier 1 capital to risk-weighted assets	16.2	12.9	7.3	9.9	6.5
Asset composition and quality					
Gross NPLs to gross loans	5.2	3.3	3.2	3.5	3.3
NPLs net of provision to core capital	13	4.8	8.7	6.6	15
NPLs net of provision to gross loans	2.1	0.6	0.7	0.7	1.5
Loans' provision to NPLs	60	81.3	72.1	78.5	55
Foreign currency loans to total loans	4.4	3.8	17.9	6.2	4.3
Deposits and investment accounts to total asset	63	71.5		73	76.5
Foreign currency deposits to total deposits	19	18.2	39.9	24.8	15.2
Off-balance sheet commitments to total assets	22.6	21.2		19.2	15.2
Earnings and profitability					
ROA (before tax)	4.7	3.8	4.9	3.4	3.3
ROE (before tax)	46.1	48	95	42.9	64.2
Liquidity					
Cash in vault to total assets	2.1	2.1	1	3.4	3.8
Liquid assets to total assets	35.1	37.3	51.6	49.5	53.7
Liquid assets to total short-term liabilities	88	82.2	112	103.3	91.9



Production in Sudan



Production in Sudan consists of three main sectors, which are the agricultural sector, with its two parts, plant and animal; the industrial sector, which includes oil, mining, quarries, manufacturing, electricity and water, and the service sector, which includes a number of sub-sectors, such as healthcare, education, transportation, roads, bridges and communications, in addition to tourism.

1) Agriculture Sector

The agricultural sector in Sudan includes crop and animal production (livestock and fisheries). This sector contributed to 28.1% of the GDP.

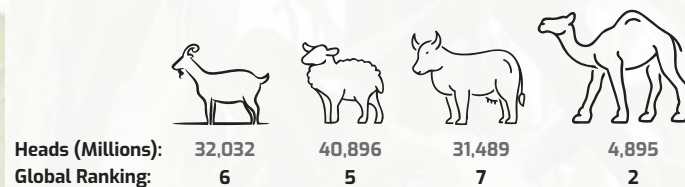
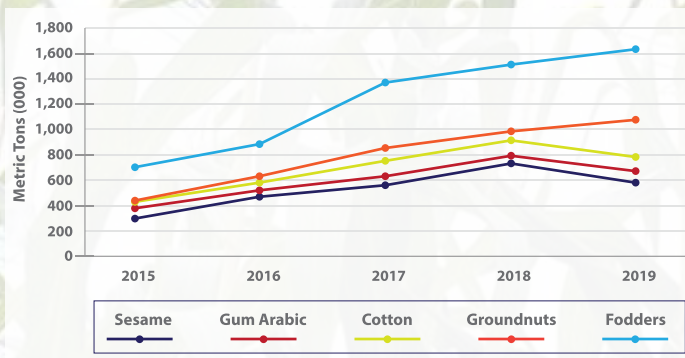
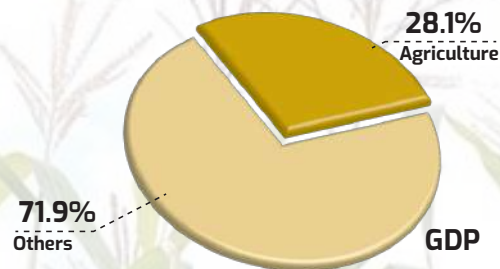
Main agriculture products

Sudan is characterized by the production of agricultural crops from fertile natural lands, the most important of them are Gum Arabic, Cotton, Groundnuts, Sesame and Fodders.

Animals and their products

Sudan is one of the most important countries in the field of livestock, with 109 Million heads. Livestock exports reached 3.4 million heads, with a total value of \$645.3 million in 2019. The major importer countries of livestock are Saudi Arabia, United Arab Emirates, Egypt, Qatar and Kuwait.

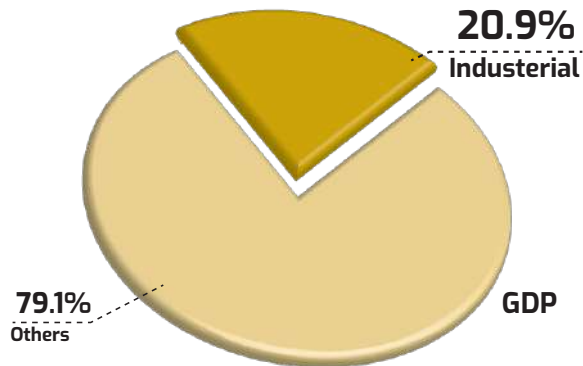
Source: Central Bank of Sudan, Annual report.



2) Industrial Sector Production

The industrial sector in Sudan contributed by 20.9% of GDP in 2019. The main industries are: oil, mining, quarries, raw materials extraction and manufacturing industries such as (Edible Oils, tannery and leather production, weaving mills, spinning mills, gum Arabic production, the pharmaceutical industry, cement, paper mills, foodstuffs production include sugar, beef, poultry, fish, and others). About 80% of the industrial sector is privately-owned.

Source: Central Bank of Sudan, Annual report.



A) Mining production

Sudan jumped into the 2nd rank for gold production in Africa and the 9th biggest gold producer globally. Mining sector has been prioritized as the top foreign exchange earner. In 2020, Sudan gold exports exceeded one billion USD.

Mineral Production in Tons:

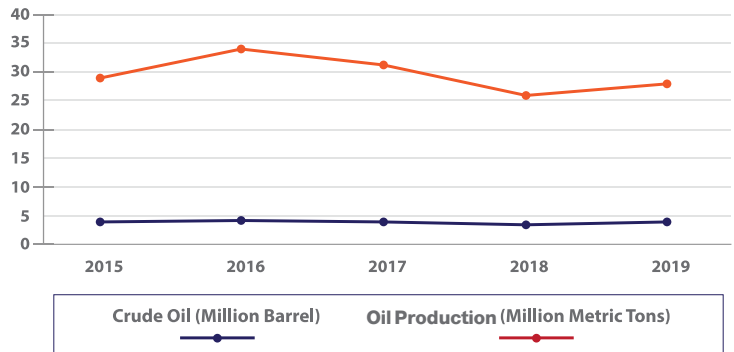
	2015	2016	2017	2018	2019
Gold	82.5	93	107	93.6	43.3
Chrome	15,813	45,000	32,000	27,000	12,728
Kaolin	14,490	6,500	6,000	11,000	21,876
Gypsum	28,965	355,000	333,000	226,000	144,520
Salt	24,136	223,397	235,000	267,000	197,159
Clinker	2,810,956	3,874,447	4,100,000	3,300,000	1,923,651
Feldspar	94,354	49,000	29,000	36,000	12,728

Source: Central Bank of Sudan, Annual report.



B) Oil Production

Petroleum in Sudan is found in a number of locations along Sudan, mainly in Kordofan (south and west), the White Nile region, Blue Nile region and Darfur region. Sudan holds 5,000,000,000 barrels of proven oil reserves, ranking 23rd globally and accounting for about 0.3% of the world's total oil reserves.



C) Manufacturing production

Manufacturing in Sudan has a long record, with many forms of industry being attempted since World War II.



- Sugar

Sudan is the third sugar producer in Africa. Around 550,500 Tons of sugar produced in 2019. The annual consumption in Sudan is about 1.6 million Tons per year. In general, there is great potential in both sugar and ethanol production. Exports of ethanol have already taken place since 2009. There are four cane-sugar factories in Sudan, belonging to Sudanese Sugar Company (New Halfa, Guneid, Assalaya, and Sennar) with a total annual production of 199,700 tons. Other two companies are the White Nile Sugar Company (38,600 tons per year) and Kenana Sugar Company which produces 312,000 tons per year, (making the largest producer in Sudan 2019).



- Edible Oils

Sudan is an important international producer of oil seeds. Several vegetable oils including groundnut, cottonseed, sesame and sunflower oil are produced in Sudan and consumed by almost all segments of the population. There are approximately 223 factories extracting edible oil, with a capacity of 2.3 million tons per year. Total export of Edible oils 23.4 thousand tons, with a total value of 26 million dollars in 2019.

- The pharmaceutical industry

Sudan's pharmaceutical market is large in value terms, due to its vast population. Currently, no major international drug makers produce medicines locally however, products of international drug makers are available in the market. There is a relatively significant domestic pharmaceutical industry in Sudan, with 24 licensed pharmaceutical manufacturers operating in the market.

- Cement

The cement industry in Sudan has developed significantly in the recent years. There are 8 cement factories, and the overall production capacity reached more than 10 million tons per year.



Source: Central Bank of Sudan, Annual report.

D) Electricity and Water

- Electricity

The generated electric energy sources in Sudan are, hydro generation 10,210 gigawatt/hr, thermal generation 5,877 gigawatt/hr, of which (74.1% steam generation, 2.6% gas generation, 2% diesel generation and 21.3% combined cycle generation) and 175 gigawatts/hr of Ethiopian transmission. This is during the year 2019.

Five specialized companies oversee the production and distribution of electricity in Sudan. These include the Merowe Dam Electricity Company Ltd., the Sudanese Hydro Generation Company Ltd., the Sudanese Thermal Generation Company Ltd., the Sudanese Electricity Transmission Company Ltd. and the Sudanese Electricity Distribution Company Ltd. The total generated electrical energy in the year 2019 was 16,262 gigawatt-hours, while the total electrical energy consumed by sectors was 12,911 gigawatt-hours. Renewable energy can play an important role in the sector, particularly wind generation, as Sudan has areas with high wind speeds mainly in the east and center of the country.

- Fresh Water

Sudan is rich in water resources (the Nile and its tributaries as well as renewable groundwater) with total water resources hit a high of approximately more than 30 Billion cubic meters. The total production of water in Sudan reached 4,660 thousand cubic meters / day in 2019, while the total consumption of water was 4,430 thousand cubic meters / day.



Hydro Generation

10,210 GIGA WATT hr



Thermal Generation

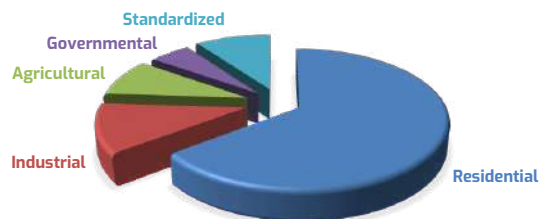
5,877 GIGA WATT hr



Ethiopian Transmission

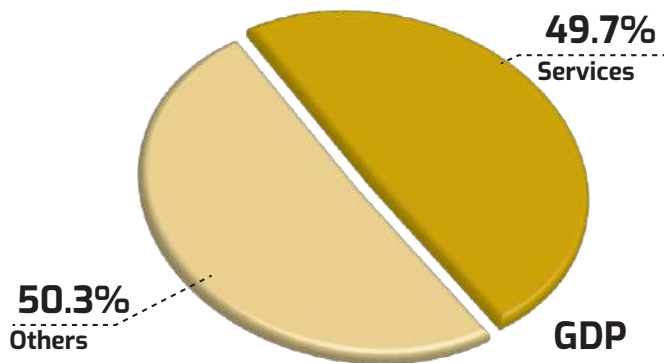
175 GIGA WATT hr

ELECTRICAL POWER CONSUMED BY
SECTORS 2019



3) Service Sector

This sector includes healthcare, education, transportation, roads and bridges, building and construction services, communications, restaurants & hotels, finance & insurance services, commerce services and other services. In 2019 the service sector contributed to the GDP by 49.7%.



Source: Central Bank of Sudan, Annual report.



Transportation

This sector includes land, sea, river and air transportation. Sudan has about:

- 30 airports, including 8 major airports.
- 5 Sea ports.
- 2 Dry ports.

The number of passengers travelled during 2019 reached more than 8 million, in addition to more than 9 million tons of cargo.



No. of Airports
30



No. of Sea ports
5



No. of Dry ports
2

Source: Central Bank of Sudan, Annual report.



4) Roads and Bridges Sector

Despite the great effort that has been made in the field of roads and bridges, Sudan, by virtue of its distinguished location and the expansion of its geographical area, needs a great effort in terms of expanding and extending roads and bridges. Railroad length reached approximately 6,000 km, while the length of paved roads is estimated at about 150,000 km.



Rail road length
6,000 km



Length of Paved roads
150,000 km

5) Telecommunication Sector

Telecommunication is an important sector in Sudan. Its infrastructure is based on the latest technologies and network of fiber optics.

The telecommunication service in Sudan is regulated by the National Telecommunication Corporation (NTC).

The mobile phone service is provided by three companies (Zain, MTN and Sudani). The number of mobile subscriptions reached 32.6 million in 2019, while the number of internet users in Sudan reached 16.2 million (percentage 49.7%).



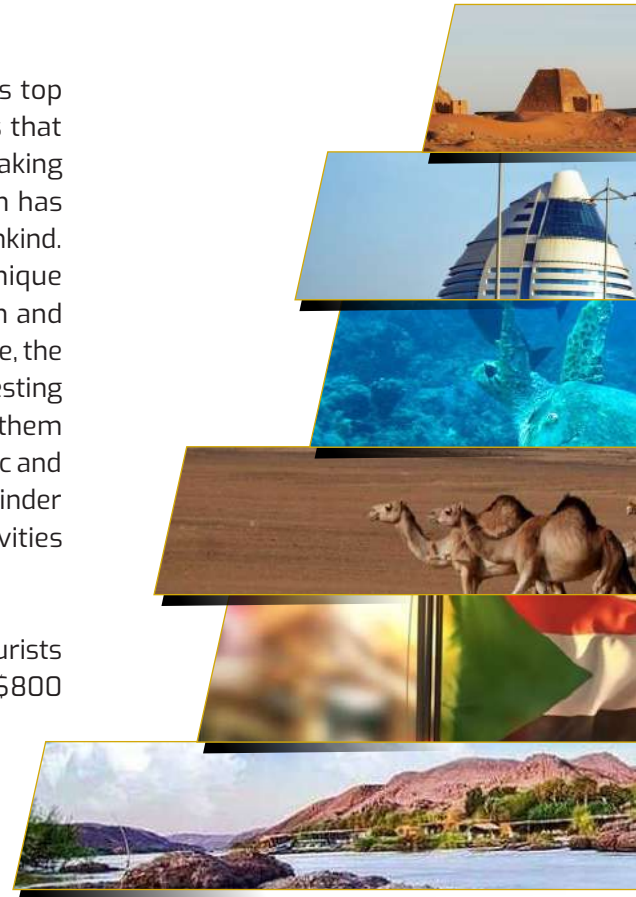
6) Tourism Sector

Sudan has an enormous potential for tourism as one of the world's top destinations for people who appreciate ancient Relics and folklores that are referenced as the cradle of civilization. Whether it be the breathtaking natural scenery arts or rich folklore archaeological finds that Sudan has glorious history and remarkable contributions to the progress of humankind. Sudan is the area where the African and Arabic culture met. It is unique and complex in its climate, environment, languages, cultures, religion and ethnicities. Its history is very much connected to the Ancient Egyptian one, the Nile River crosses the Sahara Desert and along its valley lays very interesting archaeological sites of the Egyptian and Meroitic civilizations, most of them are World Heritage protected by the United Nations Educational, Scientific and Cultural Organization (UNESCO), some of these are Merowe Pyramids, Dinder Park, Red Sea Islands, Suakin, and Jebel Marra. Tourism Popular activities include rafting, kayaking, trekking, and Nile cruises.

Tourism sector in Sudan contributed by 2.4% of GDP. International tourists numbered approximately 664,336 and the tourism revenue reached \$800 million in 2019.

Sources: (1) <https://whc.unesco.org>

(2) Central Bank of Sudan, Annual report.





Some of Sudan attractions:

Archaeological Sites of the Island of Merowe



The Archaeological Sites of the Island of Meroe, a semi-desert landscape between the Nile and Atbara rivers, was the heartland of the Kingdom of Kush, a major power from the 8th century B.C. to the 4th century A.D. The property consists of the royal city of the Kushite kings at Meroe, near the River Nile, the nearby religious site of Naqa and Musawwarat es Sufra. It was the seat of the rulers who occupied Egypt for close to a century and features, among other vestiges, pyramids, temples and domestic buildings as well as major installations connected to water management. Their vast empire extended from the Mediterranean to the heart of Africa, and the property testifies to the exchange between the art, architectures, religions and languages of both regions.



Dinder National Park

The park lies in the clayish floodplain of the Dinder and Rahad rivers, at an elevation of 2300 to 2600 feet. It can be reached by road 290 miles from Khartoum. Established in 1935, it covers an area of 27500 square mi. It falls on the ecotone between the Sahel and Ethiopian Highlands along the riverbanks there are palm or gallery forests and swampy areas. The park is home to 27 species of large mammals such as leopard, cheetah, more than 160 bird species, 32 fish species and small mammals, bats, reptiles and amphibians.



Jebel Mara

Jebel Mara is located in Darfur region, the western part of Sudan, extending along 135 km in the north-south direction with a maximum width of about 80 km in the southern third of the mountain. Total area is estimated to be about 2000 km². It is one of the most beautiful places in Sudan. The area is stunning, boasting such natural formations as waterfalls and volcanic lakes.

Sanganeb (SMNP) and Dunganab (DMNP)



The boundaries of the nominated serial property include Sanganeb Marine National Park (SMNP), Dunganab Bay- Mukkawar Island Marine National Park (DMNP) as core areas and portions also contribute to the buffer zone. SMNP is located in the central Red Sea, about 30 km north-east of Port Sudan. The boundaries of SMNP are those of the Atoll and the 5 Km of marine waters around it. DMNP lies on the central Sudanese Red Sea coast, with its southern boundary approximately 125 km north of Port Sudan. DMNP boundary contains the Bay and its Peninsula, Mukkawar Island, several small islands and islets, and extensive coral reef complexes. The two National Parks are linked by coastal waters extending for approximately 125Km. It includes a highly diverse system of coral reefs, mangroves, seagrass beds, beaches and islets. The site provides a habitat for populations of seabirds, marine mammals, fish, sharks, turtles and manta rays as well as a globally significant population of dugongs.

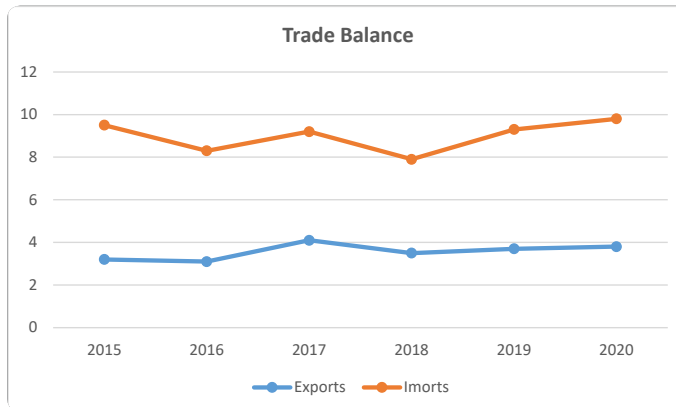




Sudan Foreign Trade

General policies set by the government in the field of foreign trade aimed to eliminate the imbalance in the external sector and trade balance by encouraging, diversifying and expanding the exports base by increasing non-oil exports, strengthening the competitive capabilities of export commodities, opening new markets, and adopt market's mechanisms in export and import operations, especially after removing Sudan from the list of Countries that sponsor terrorism.

Sudan total volume of exports in 2020 reached \$3.8 billion, while the total volume of imports reached \$9.8 billion Therefore, the trade balance achieved a deficit of \$6 billion.



Main Partner Countries

Main Customers (% of Exports)	2020
UAE	43.1%
China	19.8%
Egypt	9.6%
KSA	7.5%
India	4.2%
Turkey	2.5%
Italy	2.3%
France	1.4%
Pakistan	1.3%
Ethiopia	0.9%
Lebanon	0.8%
Indonesia	0.8%
Qatar	0.6%
Jordan	0.6%
Syria	0.6%
Oman	0.5%
Germany	0.4%
USA	0.2%
UK	0.2%
Other Countries	2.7%
	100%

Main Suppliers (% of Imports)	2020
China	23.6%
UAE	10.8%
India	10.0%
KSA	9.3%
Russia	7.5%
Egypt	5.4%
Turkey	3.7%
Germany	2.3%
Japan	2.0%
Thailand	1.9%
Indonesia	1.6%
South Korea	1.4%
Ukraine	1.1%
Canada	1.0%
Romania	1.0%
Malaysia	0.9%
Italy	0.9%
UK	0.9%
USA	0.7%
Other Countries	14.0%
	100%

Source: Bank
of Sudan,
Foreign Trade
Statistical Digest.
(Provisional Data)

Major Commodities

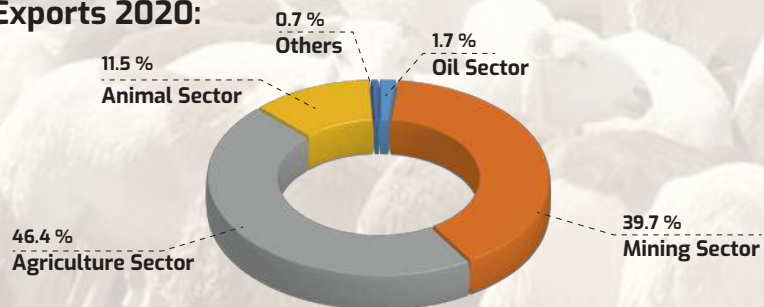
About \$3.8 billion of commodities exported in 2020	2020
Gold	38.9%
Sesame	20.7%
Animals and their products	11.5%
Groundnut	9.6%
Cotton	4.4%
Fodders	3.0%
Gum Arabic	2.7%
Edible Oils	1.6%
Crude Oil	1.2%
Benzine Kerosene	0.5%
Dura (Sorghum)	0.3%
Other Agriculture Products	4.1%
Others	1.4%
	100%

About \$9.8 billion of commodities imported in 2020	2020
Manufactured Commodities	19.4%
Machinery and Equipment	15.4%
Petroleum products	12.7%
Wheat & Wheat Floor	9.3%
Sugar	7.6%
Transport Equipment	7.6%
foodstuffs	5.6%
Other Chemicals Products	5.5%
Textiles	5.1%
Medicines	3.5%
Edible Oils	2.8%
Other Raw Materials	2.4%
Others	3.1%
	100%

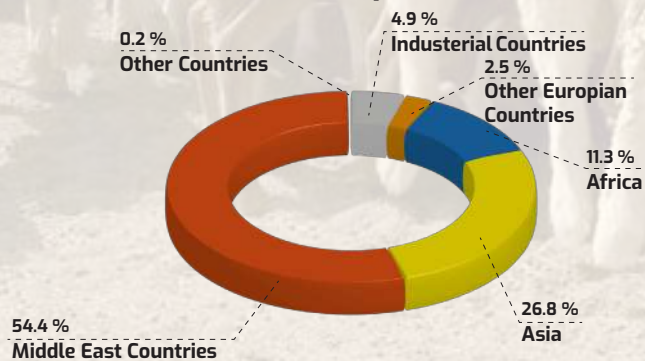
Source: Bank of Sudan, Foreign Trade Statistical Digest. (Provisional Data)

Exports

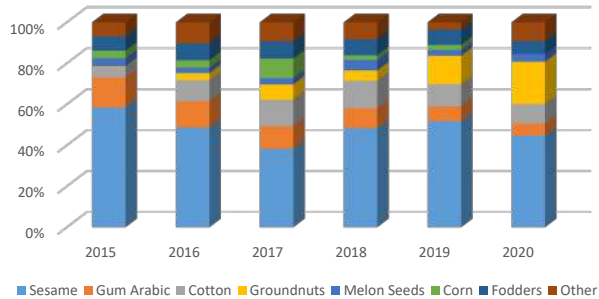
Sudan Exports 2020:



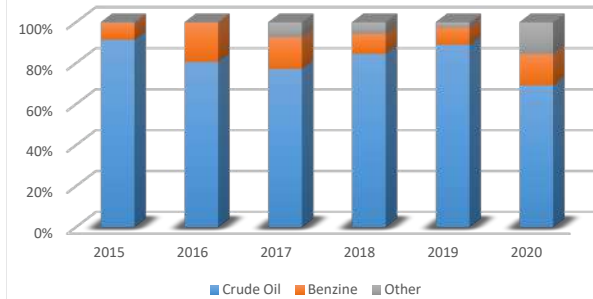
Major Partner Countries for Exports 2020:



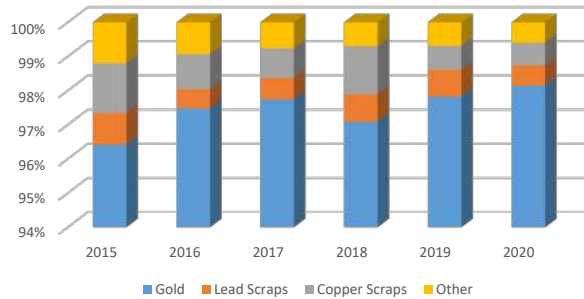
Agriculture Products Exports (2015 - 2020)



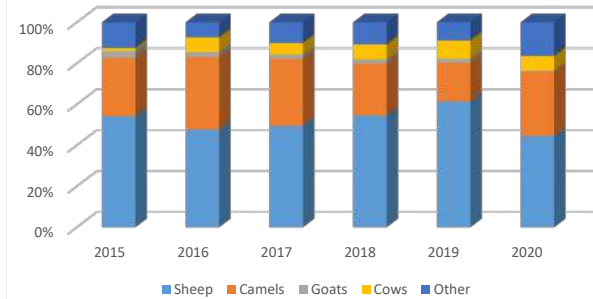
Oil Sector Exports (2015 - 2020)



Mining Sector Exports (2015 - 2020)



Animal Sector Exports (2015 - 2020)

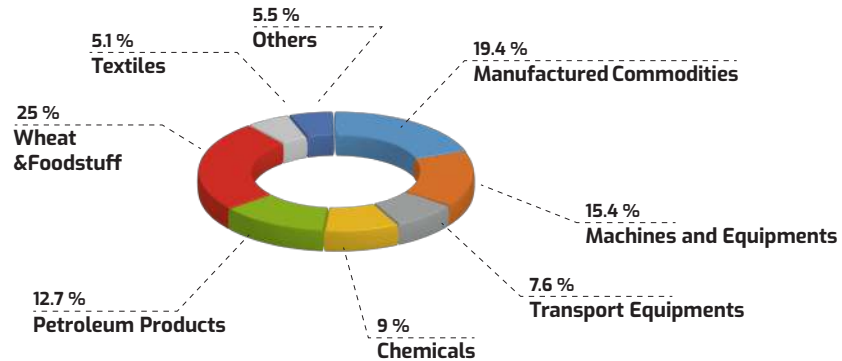


Imports

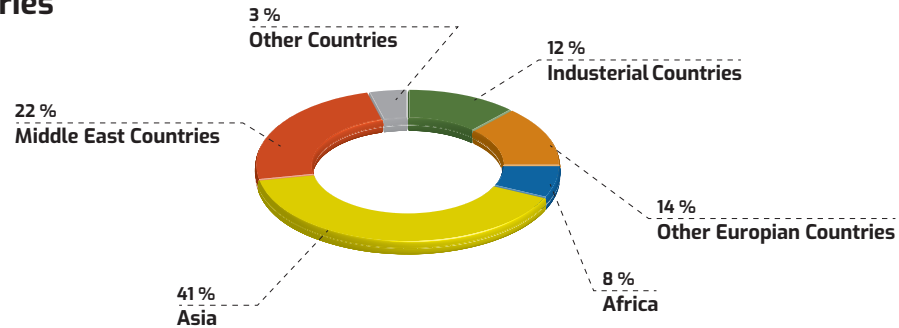
Wheat and other foodstuffs imports constituted the highest contribution to total imports, amounting to 25.3%, followed by imports of Manufactured Commodities 19.4%, Machinery and Equipment 15.4%, Petroleum products 12.7%, Chemicals 9%, Transport Equipment 7.6%, then textiles and other industrial raw materials.



Sudan Imports 2020:



Major Partner Countries for Imports 2020:





Incentives and Privileges for Foreign Investment

The Sudanese Investment Encouragement Act, 2021, provides all foreign investment in Sudan to enjoy fair and equitable treatment. Investment projects that ascertain economic benefit from, among others, the following privileges:

Foreign investors enjoy accommodation in Sudan for the project. Further no fees shall apply on projects except by virtue of an approval of the Ministry of investment. Accordingly, the Ministry of investment shall fix the fees thus providing competition between investments in Sudan. The new investment act provides for an exception from the following customs duties:

- The fee applicable to the capital required for the setup and preparations of a project.
- On specific transportation as determined by the regulations





Fiscal & Monetary Policies

Fiscal & Monetary Policies

Fiscal Policy

Sudan's budget for the year 2021 came in extremely complex global conditions, as the global economy witnessed a slowdown in growth and the Covid-19 pandemic led to great economic pressures due to the complete lockdown of economic activities.

The main objectives of the 2021 budget:

- 1) Achieving growth, stability and economic reform.
- 2) Reducing poverty and expanding social protection.
- 3) Achieving comprehensive and sustainable peace.



Fiscal Policy



**Central Bank of Sudan
Monetary Policy**

Monetary Policy

The policies of the Central Bank of Sudan coincide with new economic reality, with the removal of Sudan from the 'state sponsors of terrorism'. The objective of the policies, regulations and efforts is merging Sudan's economy with the world's economy, committing to the International censorial, supervisions standard and transparency requirements. This helps in encouraging investment and lead to easiness in doing business and opening the Sudanese banks for the global banking system by using the best international banking practices.

The policies of The Central Bank of Sudan of 2021 are issued targeting the monetary stability and contributing to the financial stability and financial inclusion in the shadow of the challenges facing the world as a result of Covid 19 spread which affect the global economy in general negatively. And challenges face Sudan's economy in particular related to the deficit of the public budget of the Country and the balance of payments, Inflation rate and Exchange rate

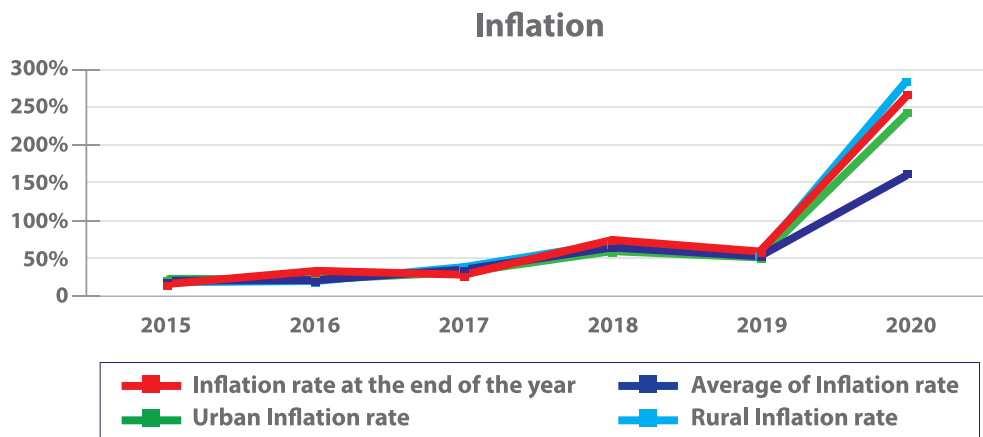
Source: Central Bank of Sudan, Monetary Policy 2021.

Inflation & Exchange Rate

Inflation

Inflation rates always put pressure on the banking sector through its impacts on the economic conditions. The average rate of inflation for the year 2020 reached 153.4% compared to 53.9% in the year 2019. Inflation has remained high and continued to accelerate in the first quarter of 2021 (379 percent in May) due to the fuel price increases and their second-round impact, as well as continued shortages of food and fuel.

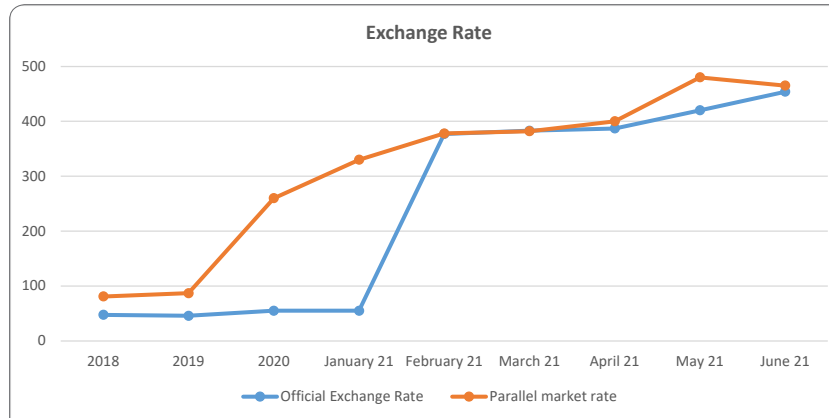
Source: (1) Central Bank of Sudan, Annual report. (2) IMF Country Report No. 21/142.



Exchange Rate

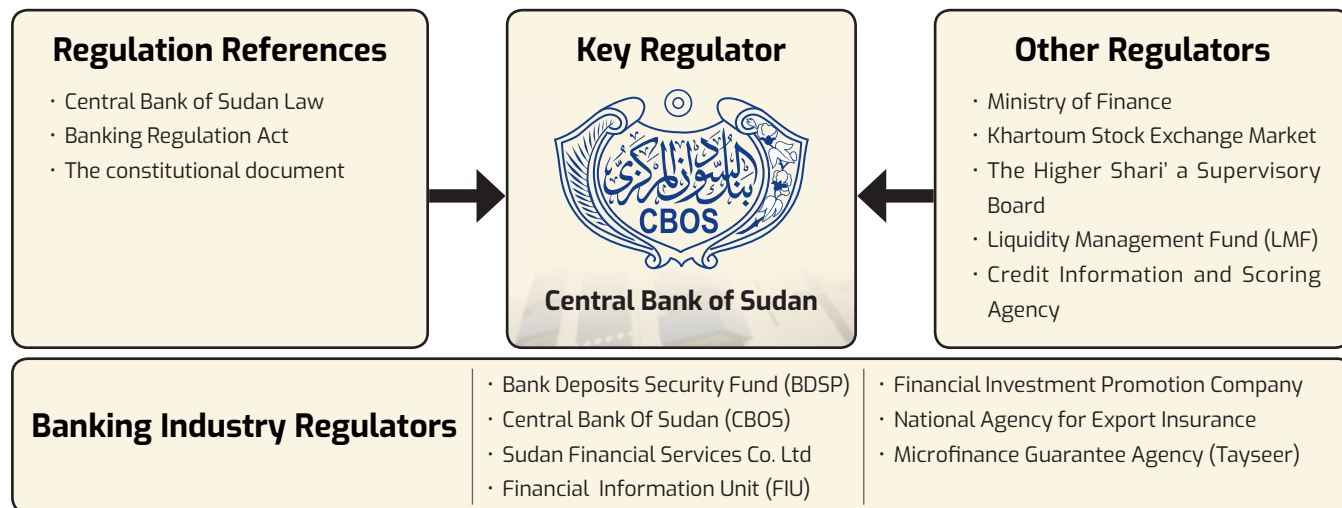
The Central Bank of Sudan issued a circular on February 21, 2021, leaving the process of determining the exchange rate based on the forces of supply and demand, to remedy the imbalance in exchange rate. The authorities unified all exchange rates (excluding the customs valuation exchange rate) at the prevailing market rate of SDG375/ USD. Though a ± 5 percent band was set on the daily movement of the exchange rate. Within the late period (May-July) 2021, the CBoS conducted seven FX auctions and confirms that the parallel rate is converging back to the official rate.

Source: (1) Central Bank of Sudan. (2) IMF Country Report No. 21/142.



Financial Sector (Financial Market Structure)

Industry Players	Commercial Banks	Specialized Banks	Microfinance Institutions	Stock Brokerage Companies	Insurance & Reinsurance Companies	Exchange & Money Transfer Companies
	Joint: 22 Government: 1 Foreign: 10	Joint: 3 Government: 3	45	41	13	42



The Central Bank of Sudan objectives:

1. Achieving stability of prices, maintaining stability of the exchange rate, efficiency of the banking system and issue of currency of the types thereof, organize, control and supervise the same.
2. Formulating and implementing monetary policy, depending in the first place on the market forces in such a way to achieve the national objectives of the national macro economy in consultation with the Minister (Minister of Finance and National Economy).
3. Organize banking business, monitor and supervise, strive to promote and develop and raise the efficiency thereof, in such way, as may achieve the balanced economic and social development.
4. Act, in its capacity as the Government banker, as an advisor and agent thereof, in the monetary and financial affairs.
5. Abide in the discharge of the duties, achievements of the objects, exercise of the powers and supervision thereby, of the banking system, by the ordinances of Islamic Sharia and the conventional banking customs.

Source: Central Bank of Sudan.

Payment systems and banking technology

Policies of the Central Bank of Sudan aimed to push the process of transformation towards a digital economy by developing electronic payment and settlement systems by innovating new products, enhancing confidence in available electronic banking products, increasing their spread, and preparing the infrastructure for various electronic payment systems services in cooperation with the relevant authorities in line with the development of global banking technology.

The number of companies and banks certified to provide various electronic payment services reached 74 companies and banks in June 2021, an increase of 17 companies and banks compared to 2019, according to the following details:

1. Ten companies offering mobile applications.
2. Twenty-nine companies providing POS service.
3. Two companies operating as e-commerce platforms.
4. One company that provides e-wallet services.
5. Thirty-one companies offering the National Switch Restrictions Application.
6. One company that provides external support services for ATMs.

74 Companies and banks
in June 2021

10 Companies offering
Mobile Application

29 Companies providing
POS services

2 Companies offering
e-Commerce platforms

1 Companies offering
e-Wallet services

31 Companies offering
National Switch Restrictions Applications

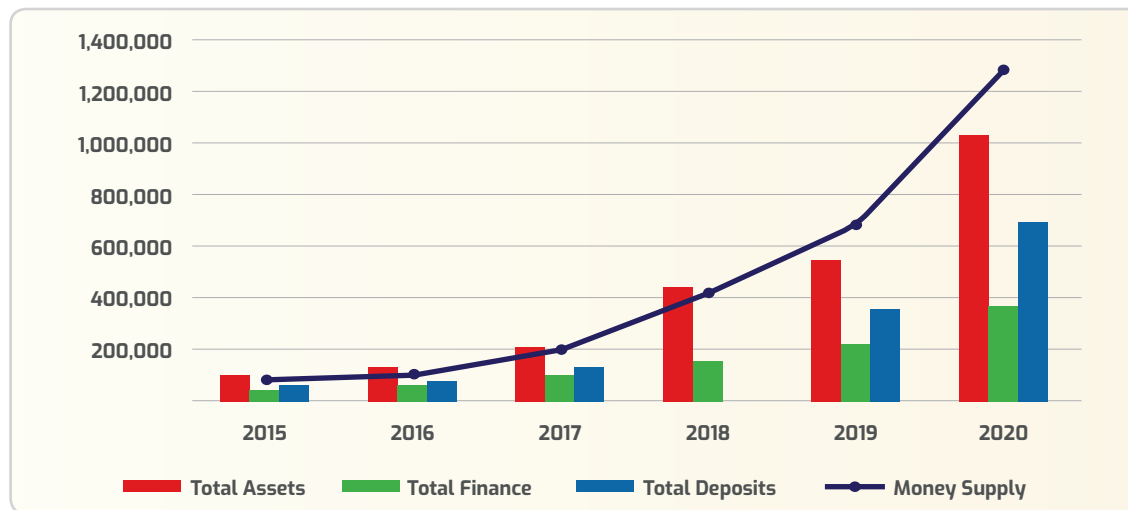
1 Companies offering
Provides external support services for ATMs

Source: Central Bank of Sudan

SDG(000,000)

Banking Sector	2015	2016	2017	2018	2019	2020	CAGR	Times
Money Supply	93,643	120,800	203,368	430,986	689,798	1,296,680	55%	0.07
With Population	27,496	38,712	61,445	112,832	281,336	557,032	65%	0.05
Deposits	25,376	33,461	59,546	119,812	158,148	313,226	52%	0.08
quasi-money	40,771	48,627	82,367	198,342	250,314	426,421	48%	0.10
Total Assets	108,937	132,714	211,246	447,851	550,898	1,019,707	45%	0.11
Total Finance	53,457	67,689	102,928	163,482	218,463	367,005	38%	0.15
Total Deposits	63,419	79,918	139,964	302,979	361,808	698,246	49%	0.09

Source: Central
Bank of Sudan,
Annual reports.



Source: Central
Bank of Sudan,
Annual reports.



Faisal Islamic Bank (Sudan)

Faisal Islamic Bank (Sudan)

The thought of establishing Islamic banks started during the seventies, where it began with the foundation of the Islamic Development Bank in Jeddah, trailed by a public exertion particularly to build up Islamic banks where His Highness Prince Mohammed Al-Faisal was the pioneer in requiring the foundation of Islamic banks beginning with Dar Al-Maal Holding Company, with a capital of billion dollar which set up numerous Islamic banks in various nations.

Sudan was not far from these endeavors; in reality, the possibility of establishing an Islamic bank in Sudan previously arose at Omdurman Islamic University in 1966, yet the idea didn't find its approach to execution. In February 1976, the efforts of Prince Mohammed Al-Faisal and some Sudanese colleagues succeeded in obtaining the approval of the former President of Sudan Jaafar Mohamed Nemiri for the foundation of an Islamic bank in Sudan.

In May 1977, 86 Sudanese and Saudi organizers and a few residents of other Islamic nations met and conceded to the possibility of establishing and subscribing half of the then-approved capital of 6,000,000 Sudanese pounds. On August 18, 1977, Faisal Islamic Bank (Sudan) was enlisted as a limited shareholding organization under the Companies Law of 1925. The Bank has authoritatively initiated operations in May 1978.

Our Strategy 2021 - 2023

1. FIB developed a new strategy in collaboration with Deloitte, which is one of the world's most reputable companies in the industry of providing consulting services.
2. The new strategy is based upon establishing an overall framework to direct the Bank towards progressively achieving its long-term objectives and to enable FIB to make the most of its strengths and redefining its position to achieve future growth and enhance the Bank's ability to adapt to the constant changes in the banking industry and increase its operational effectiveness.
3. FIB customers are at the heart of this new strategy, which was fundamentally developed with the aim of providing unique customer experience building on the most recent technical developments and the exploitation of innovation capabilities.
4. The essence of the Bank's new strategy lies in the Vision Statement which expresses the Bank's ambition (to be the best provider of Islamic financial solutions in a contemporary style, excelling in customer satisfaction, all with creativity and innovation guided by the spirit of our youthful staff).
5. FIB will continue to strongly leverage technology to improve its operations and provide quality service to its customers.
6. FIB board of directors has already approved the new strategy, which is expected to make a major shift in the Bank's positioning, and expand its products and services scope.

FIB Key Performance Ratios

Performance Indicators	2015	2016	2017	2018	2019	2020
Return on Share	46%	40%	86%	144%	7%	106%
Return on Equity	26.8%	23.8%	39.7%	54.8%	2.5%	29%
Return on Assets	1.8%	1.5%	2%	2.8%	0.1%	1%
Gross Finance / Total Assets	65%	63%	74.5%	45%	35.5%	25.4%
Gross Finance / Total Deposits and Cash Margin	70.8%	70%	81%	50.7%	40%	27.9%
Liquid Assets / Total Assets	22.8%	20.6%	18%	49.5%	54.8%	68.8%
Liquid Assets / Customer Deposits	25%	22.6%	19.6%	55.8%	61.7%	75.6%
Total Capital / Total Assets	4.1%	3.8%	2.6%	1.9%	1.8%	1.1%
Capital Adequacy Ratio	17.3%	15%	14%	12%	11.22%	13.3%
Cost to Income	31.9%	33.9%	31%	34%	50%	46.7%
NPL	0.6%	1.1%	0.34%	2.46%	1.79%	2%
Distribution rate for the holders of deposits accounts	12%	12%	12%	12%	12%	12%

Financial Highlights

Balance Sheet (SDG 000)

	2015	2016	2017	2018	2019	2020
Cash and Cash Equivalents	2,441,872	2,668,421	3,443,340	23,037,076	27,008,918	72,300,852
Central Bank of Sudan -Statutory Cash Reserve	399,069	554,495	1,487,975	2,512,119	6,055,075	8,120,892
Sales Receivable	6,366,573	8,332,287	13,974,778	18,733,659	18,934,491	24,960,943
Other Financing	62,186	5,075	6,852	245,041	457,949	198,426
Securities at Fair Value Through Income Statement	2,918	5,726	5,726	11,498	11,889	13,108
Investments at Amortized Cost	808,475	680,057	2,452,177	1,280,700	1,191,959	1,316,271
Investment at FV Through Equity	59,620	62,272	60,230	521,966	433,900	529,675
Mudaraba Investment	84,371	50,260	328,229	216,499	695,305	2,504,555
Musharaka Investment	323,483	464,240	647,992	628,546	778,153	1,317,330
Property Investment			119,661	119,661	119,661	119,661
Investment in Subsidiaries	143,296	156,919	112,495	169,995	194,995	194,995
Other Assets and Other Debt Balances	1,159,992	1,839,496	3,452,634	2,809,714	2,649,280	2,244,038
Fixed Assets	600,279	854,196	1,234,780	1,280,303	1,775,744	2,943,250
Intangible Assets	2,059	3,086	11,400	34,405	35,991	139,033
TOTAL ASSETS	12,454,193	15,676,530	27,428,269	51,601,184	60,343,309	116,903,029

	2015	2016	2017	2018	2019	2020
LIAILITIES, UNRESTRICTED INVESTMENT ACCOUNTS' AND SHAREHOLDERS' EQUITY						
Liabilities						
Customers' Current and Savings Accounts	3,586,864	4,832,915	12,252,010	23,481,035	29,638,145	78,359,004
Other Liabilities	426,451	627,609	1,132,852	4,079,985	4,517,019	8,639,706
Provisions	110,166	137,816	298,047	401,405	397,658	464,827
TOTAL LIABILITIES	4,123,481	5,598,340	13,682,910	27,962,425	34,552,822	87,463,538
UNRESTRICTED INVESTMENT ACCOUNTS	7,498,882	9,112,323	12,335,580	21,009,348	23,038,086	25,426,875
TOTAL LIABILITIES & UNRESTRICTED INVESTMENT ACCOUNTS	11,622,363	14,710,663	26,018,490	48,971,774	57,590,907	112,890,413
SHAREHOLDERS' EQUITY						
Share Capital	510,000	600,000	700,000	1,000,000	1,100,000	1,100,000
Reserves	120,205	150,088	205,888	1,572,093	1,404,201	2,253,262
Retained Earnings	201,625	215,778	503,891	57,318	248,201	659,355
Total Shareholders' Equity	831,830	965,866	1,409,779	2,629,411	2,752,402	4,012,617
Total Liabilities, Unrestricted Investment Accounts' and Shareholders' Equity	12,454,193	15,676,530	27,428,269	51,601,184	60,343,309	116,903,029
Contra Accounts	2,068,275	2,248,275	3,962,045	3,835,967	5,124,481	8,059,861

Financial Highlights

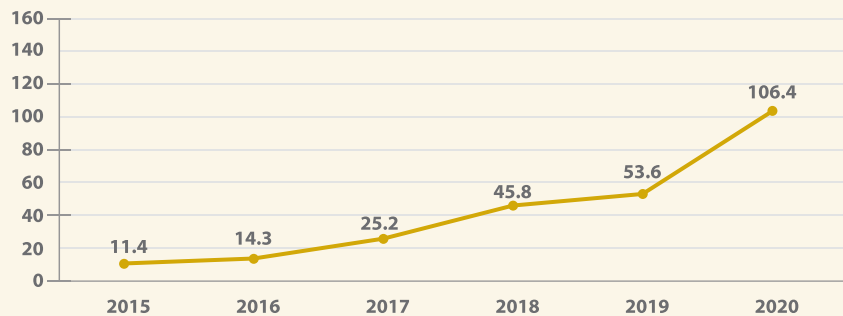
Income Statement (SDG 000)

	2015	2016	2017	2018	2019	2020
Income from sales receivable	798,160	1,019,831	1,661,937	2,660,323	2,693,433	3,559,238
Income from investments	184,695	165,678	232,159	145,140	306,531	733,087
Total Income from finance and investments	982,855	1,185,509	1,894,096	2,805,463	2,999,964	4,292,325
Less: Return on Unrestricted Investment Accounts	(533,856)	(650,198)	(762,861)	(1,458,350)	(1,576,077)	(1,723,035)
Bank's Share in Income from Investments (as Mudarib and Fund Owner)	448,999	535,311	1,131,234	1,347,113	1,423,887	2,569,290
Income from Banking Services	163,013	276,338	318,476	652,713	829,420	501,695
Income of Bank's self-investments	21,435	38,763	60,047	10,332	41,286	98,471
(Losses) / Gains from Foreign Currency Revaluation	(22)	(8)	-	1,339,011	(228,578)	812,481
Other Income	84,008	26,823	31,867	54,447	104,927	124,265
Fair Value Changes	-	-	-	5,772	391	-
TOTAL BANK INCOME	717,433	877,226	1,541,624	3,409,388	2,171,333	4,106,201

	2015	2016	2017	2018	2019	2020
EXPENSES						
Staff Cost	225,911	284,259	403,801	476,314	751,968	1,182,835
General and Administrative Expenses	173,323	230,643	311,667	431,988	604,406	782,113
Depreciation and Amortization	39,357	50,202	76,619	114,367	152,058	233,882
Differences Arising from Government Securities	-	-	-	120,576	-	-
End of Service Benefits	-	-	-	133,375	145,981	-
Return on Customers' Investment deposits	-	-	-	203,847	203,603	-
Provision for Doubtful Debts	-	-	-	121,097	-	477,272
Penalties by Central Bank of Sudan	-	614	102	217	38	100
Provisions for Finance and Investments	14,000	24,427	50,301	93,545	34,678	47,677
TOTAL EXPENSES	452,591	590,145	842,490	1,695,326	1,892,731	2,723,879
NET INCOME BEFORE ZAKAT AND TAX	264,842	287,080	699,134	1,714,062	278,602	1,382,322
Zakat for the year	(7,521)	(7,999)	(21,640)	(33,668)	(35,280)	(38,764)
Tax Provision	(34,698)	(50,975)	(117,825)	(240,113)	(174,095)	(176,221)
NET PROFIT FOR THE YEAR	222,623	228,106	559,669	1,440,281	69,227	1,167,337

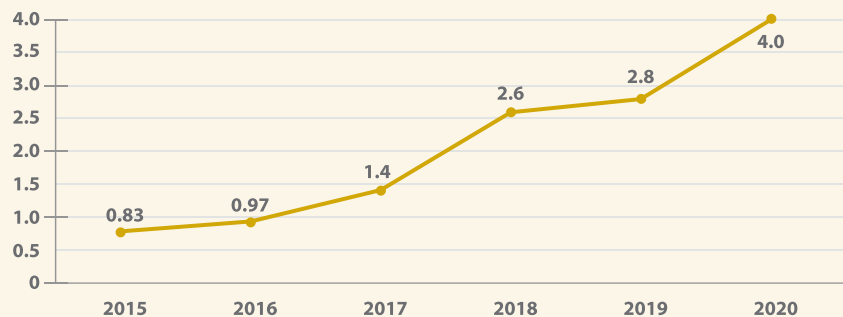
Deposits

Billion SGD



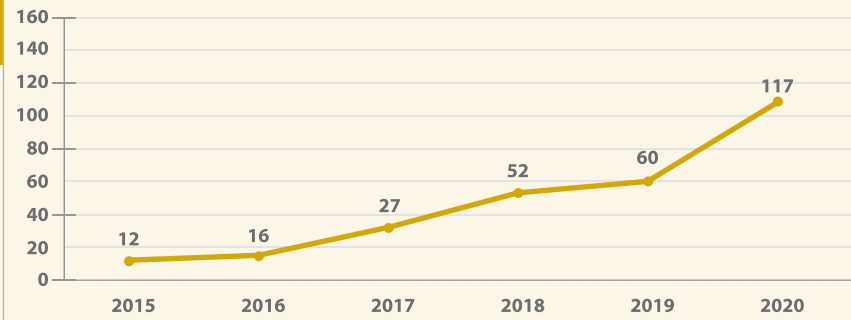
Equity

Billion SGD



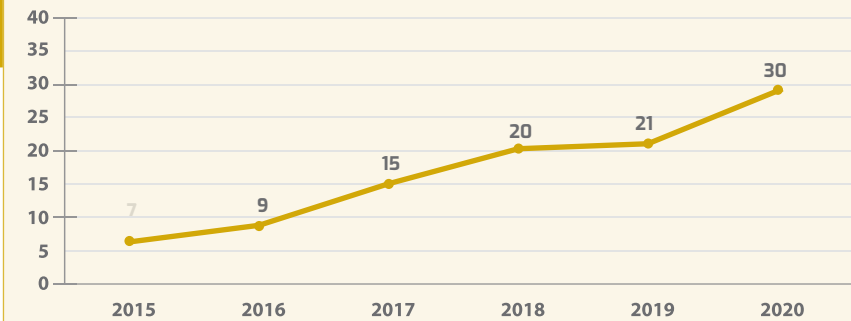
Assets

Billion SDG



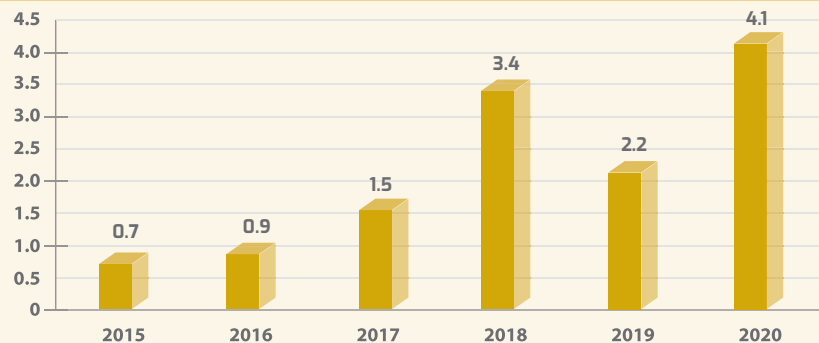
Finance

Billion SDG



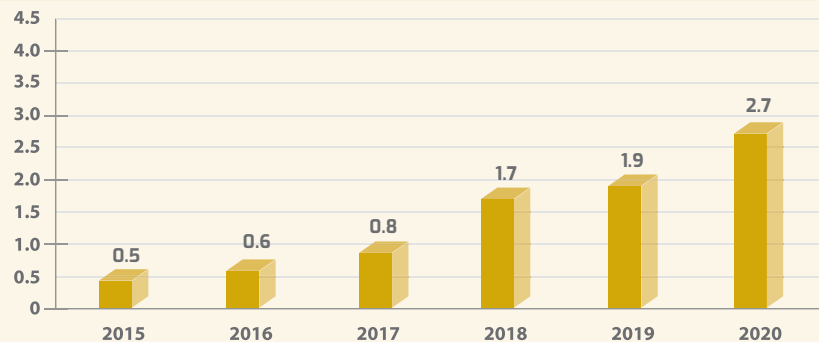
Income

Billion SGD

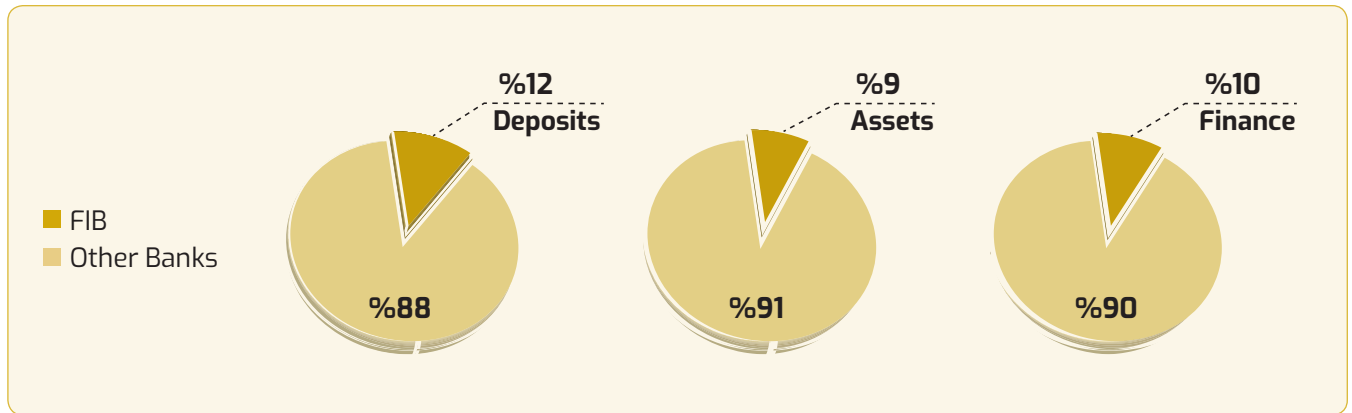


Expenditure

Billion SGD



FIB's Market Share in 2020

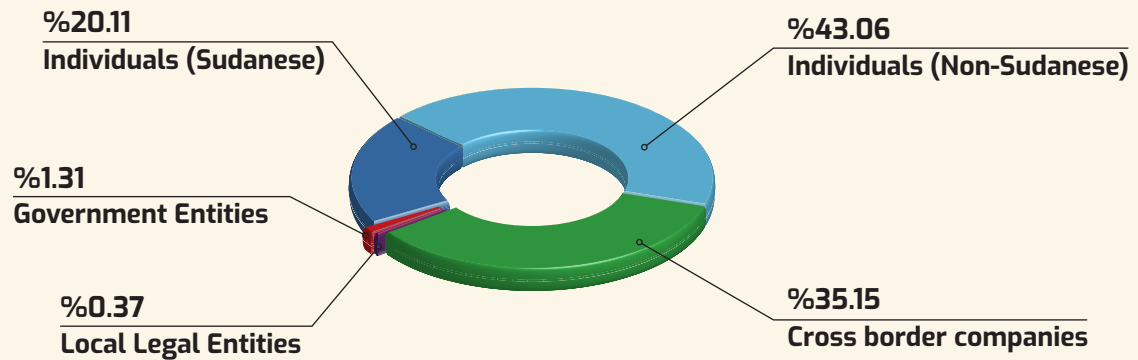


FIB Shari'a Supervisory Board (SSB)

Shari'a Supervisory Board perform a review of all transactions undertaken by FIB to ensure compliance with provisions of Shari'a and minimize any expected sharia risk.

All new products, services, transactions, advertising, promotional material, and other documentary correspondence are to be forwarded to Sharia Compliance Manager - SCM for approval, comments & opinion to safeguard the Islamic underpinnings of the Bank.

FIB Shareholding Structure





Chairman

**His Royal Highness
Prince \ Amro Mohamed Al Faisal Al-Saud**

CEO

Moawia Ahmed Elamin



Board of Directors Committees



Building The Future Together

Ranking & Awards

Award (Sudan) 2020

FAISAL ISLAMIC BANK



Ranking

	Latest	Previous
June 07, 2021 Analysts:		
National Scale (Long-term/ Short term)	June 07, 2021 BBB+(sd)/A2(sd)*	April 16, 2020 BBB-(sd)/A3(sd)*
Outlook	Stable	Positive
*The assigned ratings signify the bank's ability to meet LCY-denominated obligations only.		

Fiduciary Scores	Latest	Previous
Overall Fiduciary Score	66 - 70	66 - 70
Asset Manager Quality	66 - 70	61 - 65
Corporate Governance	71 - 75	66 - 70
Shari'a Governance	71 - 75	71 - 75



الوكالة الإسلامية الدولية للتصنيف
Islamic International Rating Agency

FIDUCIARY RATING REPORT

Faisal Islamic Bank (Sudan)

Report Date:

Credit Rating

June 07, 2021 Analysts:

	Latest	Previous
National Scale (Long-term/ Short term)	June 07, 2021 BBB+(sd)/A2(sd)*	April 16, 2020 BBB-(sd)/A3(sd)*
Outlook	Stable	Positive
*The assigned ratings signify the bank's ability to meet LCY-denominated obligations only.		

Hasan Demir, CFA

Fiduciary Scores	Latest	Previous
Overall Fiduciary Score	66-70	66-70
Asset Manager Quality	66-70	61-65
Corporate Governance	71-75	66-70
Shari'a Governance	71-75	71-75

Company Information

Incorporated in 1977.

- Listed on Khartoum Stock Exchange.
- External auditors: Mubarak for Accounting, Auditing & Financial Consultancy
- Chairman of Board: HRH Amr Mohamed Al Faisal Al Saud
- Chief Executive Officer: Mr. Moawia Elamin
- Branches: 48 (December 2020)

Awards

2020

- The World Union of Arab Bankers – Best Bank in Sudan 2020.
 - Cambridge – IBRA Customer Service Excellence – Award (Sudan) 2020.
 - Cambridge – IBRA Digital Financial Inclusion – Award (Sudan) 2020.
-

2019

- Faisal Islamic Bank received the International Arch of Europe Award for Quality and Excellence.
 - The World Union of Arab Bankers – Best Bank in Sudan 2019.
 - CPI Financial (Islamic Business & Finance) – Best Development Bank in Sudan 2019.
-

2018

- The World Union of Arab Bankers – Best Bank in Sudan 2018.
-

2017

- ISO 31000; ISO 9001 and ISO 14001 version 2015; OHSAS 18001.
 - CPI Financial (Islamic Business & Finance) – Best Islamic financial institution in Africa for the year 2017.
-

2016

- ISO 14001; ISO 9001; OHSAS 18001.
- European Foundation for Quality Management (EFQM) – Committed to Excellence.
- The World Union of Arab Bankers – Excellence Banking in Sudan 2016.
- CPI Financial (Islamic Business & Finance) – Best Corporate Bank in Africa in the years 2016.

2015

- ISO 14001; ISO 9001; OHSAS 18001.
 - European Foundation for Quality Management (EFQM) - Committed to Excellence.
 - CPI Financial (Islamic Business & Finance) - Best Corporate Bank in Africa in the years 2015.
 - The Republic Presidency - Excellence in Social Responsibility.
-

2014

- ISO 14001; ISO 9001; OHSAS 18001.
 - Global Finance Annual Awards - Best Bank in Sudan 2014.
 - European Foundation for Quality Management (EFQM) - Committed to Excellence.
 - CPI Financial (Islamic Business & Finance) - Best Corporate Bank in Africa in the years 2014.
-

2013

- Global Finance Annual Awards - Best Bank in Sudan 2013.
- ISO 14001; ISO 9001; OHSAS 18001; ISO 26000.

Correspondents

1	Arab Banking Corporation	Cairo
2	Abu Dhabi Islamic Bank	Abu Dhabi
3	Aktif Bank	Istanbul
4	Albaraka Islamic Bank	Manama
5	Alnilien Bank	Abu Dhabi
6	Alsalam Bank	Manama
7	Alubaf Arab International Bank	Manama
8	Bank Albilad	Riyadh
9	Bank Al Etihad	Oman
10	Bank Muscat	Muscat
11	Bank of Beirut	Beirut
12	Bank of Khartoum International	Manama
13	Faisal Islamic Bank of Egypt	Cairo
14	Ithmar Bank	Manama
15	National Commercial Bank	Jeddah

Correspondents

16	North Africa Commercial Bank	Beirut
17	Commercial Bank of Dubai	Dubai
18	Saba Islamic Bank	Sana'a
19	Banka Ubae SPA	Rome
20	British Arab Commercial Bank PLC	London
21	Commercial Bank of Ethiopia	Addis Ababa
22	Riyadh Bank	Riyadh
23	Bank of Beirut	Cyprus
24	Arab Turkish Bank	Istanbul
25	Al Rajhi Bank	Riyadh
26	BPER Banca SPA	Modena, Mo, Italy
27	Banque De Commerce Et De Pacement	Geneva
28	Direct Remit Ltd. <i>(Exchange Company)</i>	Birmingham
29	National Exchange Co. Ltd. <i>(Exchange Company)</i>	Doha

Corporate Banking

General Services

- Online Centralized Branches
- Corporate Service Desk
- Corporate ATMs
- Special Cheques
- Corporate Relationship Manager

Financial Services

- Collection and Cash Management Services
- Cash/Cheque Pickup
- Sub-branches
- Corporate Teller
- Quick Collect Service (Post Dated Cheques Custody) (PDS)
- Express Payments
- International remittances services (like Quick Pay).

Electronic Services

- VISA and MASTER CARD Services
- Corporate Internet Banking
- General Account Services
- Transaction Payment
- White Labelling Solutions
- Electronic Collection
- Electronic Reporting
- SWIFT Services

Trade Products

- Letters of Credit
- Letters of Guarantee
- Documentary Collections



Retail Banking Services

- Mobile Money Subscribers (Fawry)
- 46 Branches & 46 Sub-branches
- Over 200 ATMs/CDMs market share of 13%
- Point Of Sales Switch
- Call Center Upgrade Capacity & Services
- Wakala Agents for cash deposits/Withdraw
- Durable Finance
- More than 100,000 Mobile Banking Subscribers
- Vehicle financing
- Goods financing
- Current Accounts
- Saving Accounts
- Investment Deposits
- Personal Finance
- Salary Accounts
- Education Finance



AML & CTF Compliance

Faisal Islamic Bank (Sudan) is committed to all directives, policies and laws issued by all regulatory authorities at the local, regional and global levels in order to achieve the principles of good management that achieves complete stability within the banking system, Managing and minimizing exposure to the financial, Reputational and Regulatory Threats associated with handling Money from illicit source ; Through taking reasonable measures in exercising Due Diligence to minimize , as far as practicable, the risk to the Group of its products and services being used for the purpose of Disguising the Source of the Money.

External Supervision

- Central Bank of Sudan.
- Internationally accepted best practices e.g. FATF guidelines.
- International Sanctions.
- FATCA & CRS.



Internal Implementation

- Client On-boarding Procedures
- Transaction monitoring
- Remittance screening
- Review and Reporting
- Staff training on AML/Financial Crime
- Effective system

Best practices

- Exit customer relationships based on sanctions and money laundering concerns etc.
- File suspicious transactions Reports (STR's) to the FIU Unit.
- Escalate concerns immediately to senior management on an on-going basis.
- Multi-level review and enhanced due diligence (EDD) for high risk customers.
- Customer transaction monitoring on a daily basis.
- Strong on-boarding process.
- Strong KYC culture.
- Prohibiting transactions with sanctioned countries /entities /individuals.
- Deal with walking customer.

FIB adheres to:

- OFAC
- FATF
- FATCA
- The Wolfsberg Group



Al Faisal Cultural Centre - FCC

Al Faisal Cultural Centre (FCC) is a modern and integrated Sudanese Cultural Centre. It is one of the initiatives of Faisal Islamic Bank to handle social responsibility of the Bank, and to promote and enrich the lives of members of Sudanese society.

FCC Goals

- Maintain and provide resources & infrastructure to the public as a vital source of information and upgrading support.
- Become a reliable source of education.
- Creating a client-centered cultural hub to accommodate most required venues with a well-equipped state of the art halls and rooms.
- Create and strengthen partnerships with institutions & organizations to expand and improve the delivery of certification and testing services.



CSR

Our commitment to social responsibility is derived from the principles and values of Islam, which encourage cooperation in our actions towards the environment, society, and overall economic development, as well as committing to ISO 26000 for business and organizations. Accordingly promoting the spread of the principles of solidarity among members of the society. The Areas of tender are social solidarity, health sector, education and culture, social funds and micro-financing.

Areas of tender

Social Slidarity

Health Sector

Education & Culture

Social Funds

Micro-financing



Subsidiaries

Islamic Insurance Company (IIC)



The company has been established in January 21, 1979 as a private limited company. It is the first ever insurance company drawn from Islam religion instructions. The emergence of such a company is a great pace in order to communicate Islamic insurance to the world, where the underlying principles had been set since for the first time, moreover a successful practice in combining originality together with modern business styles.

Al Faisal Real-estate Company



Faisal Islamic Bank found real estate development company in 1983, then the name changed to Faisal Real-estate Company in 2007, and this come from the believes of the leaders of the Bank to invest in structural and buildings industry. The company works in construction contracting, real-estate development, supply and manufacture of building materials, evaluating the assets of the banks and financial institutions. The company adhere applying ISO 9001 to achieve quality's goals to introduce the best services and products for the clients.

Al Faisalia Company Ltd.

The Company has been established in 1978, it's a subsidiary of Faisal Islamic Bank (FIB). The company is active in different fields of trade and investment, such as cars, durable goods, inputs for industry, agriculture and livestock production, as well as the fields of import and export. The company strive to sustain the provision of highly valued products and services tailored to make a sustainable and a qualitative difference in the market, and thus placing the Company's investments in a leader position from the customer's perspective.

Al-Faisal Financial Transactions Company Ltd.

Al-Faisal Financial Transactions Company Ltd. has been established since 2006 as a brokerage company licensed by Khartoum Stock Exchange, as one of Faisal Islamic Bank companies. The Company provide an integrated system for various financial and investment services, in addition to financial brokerage. Its provides financial consultation for clients, portfolio management, offering and managing investment funds, Initial public offering (IPO) ,Institutions evaluation, Specialized portfolios in all fields such as (real estate portfolios, Export and Infrastructure projects portfolios, etc.).

شركة الفيصل للمعاملات المالية المحدودة
Al Faisal Financial Transactions Co. Ltd.
إحدى شركات بنك فيصل الإسلامي السوداني



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