



August 25, 2009

ECONOMY

IMF report commends Saudi fiscal policies

The International Monetary Fund (IMF) applauded Saudi Arabia's fiscal policies and characterized its economic outlook as "broadly positive" in its Article IV Consultation Report, concluded July 13. The IMF Executive Board found that "Saudi Arabia confronts the current global crisis from a position of strength, reflecting a track record of prudent macroeconomic policies and structural reforms that have enhanced the economy's resilience." The Saudi economy, it noted, "delivered another strong performance in 2008 despite global headwinds. Real GDP, buoyed by a sustained broad-based expansion in the non-oil sector (4.3 percent) and higher oil production, grew by 4.4 percent." Furthermore, the Saudi banking system "has weathered the global crisis. It remains profitable and well capitalized with low nonperforming loans."

The IMF credited proactive fiscal policies for the Kingdom's economic resiliency, commending authorities for approving a massive stimulus package that contributed "both to diversified domestic growth and the global recovery." The report also lauded Saudi officials for "their leadership role in stabilizing world oil markets by maintaining their capacity expansion plans despite lower oil prices."

The Executive Board expressed its support for the Saudi government's ongoing efforts "to implement second-generation reforms in the judicial, education, and financial sectors, aimed at further improving the environment for private sector development" and welcomed "the continued liberalization of the trade regime, consistent with the authorities' commitment to a free and open trade system." They pointed out that Saudi Arabia was ranked first among Arab countries and 16th globally by the latest World Bank Doing Business Report.

Finally, the Kingdom was commended for the "substantial assistance" it has extended to developing countries, including its support for the Heavily Indebted Poor Countries (HIPC) and Energy for the Poor" initiatives.

WAR ON TERROR

Security forces arrest 44 terrorists

A spokesman for the Ministry of Interior announced August 19 that security authorities have apprehended 44 members of an extremist network. The arrests

were made between July 9 and August 2. The spokesman said many of the suspects are highly experienced and had received training abroad, including instruction on light and heavy weapons, explosives, and document counterfeiting. During the arrest, authorities also confiscated 17 AK-47 assault rifles, 42 boxes of ammunition, including 31,500 bullets, 55 machine guns, 65 machine gun magazines, and 376 remote-controlled electronic explosive circuits. The spokesman noted that investigations are still underway to uncover links with extremist leaders abroad and to shed light on the illegal methods being used to finance criminal activities through charity work.

FOREIGN AID

Saudi Arabia provides 30 ambulances for Darfur hospitals

The Saudi Red Crescent delivered 30 ambulances to authorities in Sudan on August 20 as part of its program to assist hospitals in the Darfur region. In a statement, Sudan's Humanitarian Aid Commissioner Mohammed Hassabu commended the assistance of the "Kingdom of Humanity." The Executive Director of the Saudi relief program, Dr. Muala Al-Gabri, confirmed that the ambulances were paid for with the \$70 million allocated by the Kingdom to Darfur through the Saudi Red Crescent.

250,000 books given to Yemeni institutions

The distribution of 250,000 free books, provided with the support of Crown Prince Sultan, began in Sana'a on August 20. The books were given as a gift from Saudi Arabia to Yemeni universities and public libraries. Yemeni Minister of Higher Education and Scientific Research Dr. Salih Basorah hailed Saudi support for culture in Yemen and expressed his thanks to Crown Prince Sultan.

IIRO implements "Breaking-Fast Project" in 31 countries

The Jeddah-based International Islamic Relief Organization (IIRO) has begun implementing its "Breaking-Fast Project" in 31 countries around the world on the occasion of the holy month of Ramadan. According to IIRO Secretary General Dr. Adnan Basha, 27,775 poor families will benefit from this project, which involves providing Ramadan meals for needy families. The Director of the IIRO's Regional Office in Indonesia, Fahd Al-Harbi, reported that the program has already provided 5,000 Indonesian families with a total of 1,000 food baskets containing rice, sugar, oil, dates, macaroni, and tea.

