General Council for Islamic Banks and Financial Institutions

CIBAFI

المجلس العام للبنوك والمؤسسات المالية الإسلامية

# InFocus

Issue 31 | October 2025

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# Message from Secretary General

Welcome to the 31st edition of InFocus, our newsletter dedicated to sharing the latest initiatives, insights, and engagements with the global Islamic financial services industry.

It is an honour to address CIBAFI's stakeholders for the first time in my capacity as the new Secretary General. My appointment this August brings with it a significant responsibility to contribute to advancing the mission of this leading institution towards broader horizons. In line with CIBAFI's role as a global umbrella for Islamic financial institutions, we reaffirm our commitment to strengthening its position in the areas of Shariah advisory and corporate governance, thereby reinforcing the core principles upon which this vital industry is built.

In recent months, we have undertaken several strategic initiatives in response to the needs of our members and stakeholders. Among the most notable were the organization of a public lecture in Muscat on artificial intelligence and financial technologies, the signing of Memoranda of Understanding with educational and banking institutions to strengthen mutual cooperation, and the submission of constructive comments on the exposure drafts of guidance notes issued by the Islamic Financial Services Board (IFSB).

In the area of research and publications, we launched the 10th special edition of the Global Islamic Bankers' Survey Report on AI and data analytics, marking a decade of valuable insights into the evolving priorities and challenges of Islamic banks. As part of our efforts to foster innovation in Islamic banking, we also issued the Digital Momentum, which outlines key trends and challenges and provides practical guidance to strengthen the sector's resilience and competitiveness in line with Shariah principles.

Believing that the success of institutions stems from the success of their human capital, we continue our efforts to deliver technical workshops and training programmes aimed at capacity building and enhancing competencies within the Islamic financial industry. Recently, we organized a technical workshop on Driving Innovation in Islamic Finance, hosted by the Central Bank of Oman, as well as tailored in-house training programmes in collaboration with leading institutions such as the Islamic Development Bank and Banque Saudi Fransi. We are also pleased to announce that we are in the process of launching the CIBAFI Academy, which aims to provide flexible and accessible learning opportunities for industry professionals worldwide.

These initiatives demonstrate our commitment to empowering institutions, enhancing the global presence of Islamic finance, and preparing the industry to address emerging challenges with resilience and innovation. Looking ahead, we will continue to empower our members, enhance their representation in international discussions, and provide a series of new services that meet the needs of members and contribute to their growth and success.

These achievements are made possible through the trust and dedication of our Board of Directors, members, and stakeholders. We extend our sincere gratitude for your continued partnership and collaboration.

Yours Sincerely,<br>
**Mr. Hamza Bawazir**<br>
Secretary General

# CIBAFI Meetings

## CIBAFI's 20th Executive Committee Meeting and 52nd Board of Directors Meeting

CIBAFI successfully convened its 20th Executive Committee Meeting and 52nd Board of Directors Meeting on 24th June 2025 and 14th July 2025, respectively. The meetings addressed key topics, including the presentation of the activities report for the period and an update on the implementation roadmap of the Strategic Initiatives.

## CIBAFI Dinner Hosted by the Iraqi League of Islamic Banks in Baghdad, Iraq

CIBAFI organized a dinner hosted by the Iraqi League of Islamic Banks in Baghdad, Iraq, on 2nd October 2025. The event brought together CIBAFI members, stakeholders, and training representatives to foster professional relationships, facilitate the exchange of ideas, and promote cooperation while advancing initiatives that support the growth of the Islamic financial sector, particularly in the Iraqi market.

During the event, a Memorandum of Understanding was signed to enhance cooperation in capacity building, knowledge exchange, and the development of the Islamic banking sector in Iraq, reflecting the shared commitment to strengthening partnerships and supporting the sustainable advancement of the industry in the country.


## Strengthening Collaboration through High-Level Meetings


# Strategic Objective 1: Advocacy of Islamic Finance Values and Related Policies and Regulations

## CIBAFI Comments to the Islamic Financial Services Board (IFSB)

CIBAFI submitted its comments to the Islamic Financial Services Board (IFSB) on two key Exposure Drafts, on 30th April and 8th May 2025, aimed at enhancing regulatory frameworks and strengthening resilience in the Islamic financial services industry.

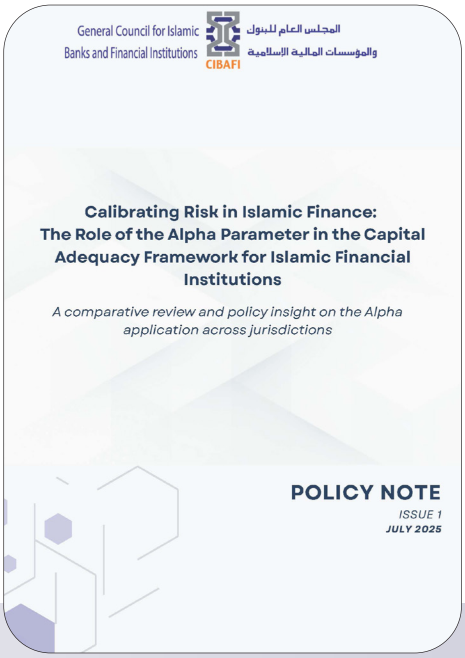
**Guidance Note on Climate-Related Financial Risks for Institutions Offering Islamic Financial Services (Banking Segment) (GN-11):**
Recommendations focused on embedding climate-risk responsibilities within governance structures, setting clear KPIs, and enhancing stress-testing frameworks.

**Guidance Note on Recovery and Resolution for Takaful Undertakings (GN-10):**
Recommendations included expanding guidance to retakaful undertakings, strengthening independent recovery principles, and clarifying loss allocation and qard treatment during resolution.

These submissions underscore CIBAFI's ongoing commitment to robust, forward-looking standards that promote sustainability and innovation across the Islamic financial services industry.

Click here **for more details.**

ISLAMIC FINANCIAL SERVICES BOARD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Calibrating Risk in Islamic Finance:
The Role of the Alpha Parameter in the Capital Adequacy Framework for Islamic Financial Institutions

*A comparative review and policy insight on the Alpha application across jurisdictions*

POLICY NOTE
*ISSUE 1*
*JULY 2025*

## Policy Note, titled: "Calibrating Risk in Islamic Finance: The Role of the Alpha Parameter in the Capital Adequacy Framework for Islamic Financial Institutions"

CIBAFI successfully launched its Policy Note titled "Calibrating Risk in Islamic Finance: The Role of the Alpha Parameter in the Capital Adequacy Framework for Islamic Financial Institutions" on 29th July 2025. The publication explained the Alpha (α) parameter in capital adequacy, reviewed its application across leading Islamic finance jurisdictions, and offered forward-looking policy recommendations, along with insights into risk-sharing, Displaced Commercial Risk (DCR), and Shariah compliance tools such as PER and IRR.

Click here **for more details.**

## Signing of a Memorandum of Understanding (MoU) between CIBAFI and Bahrain Institute of Banking and Finance (BIBF)

CIBAFI and the Bahrain Institute of Banking and Finance (BIBF) signed a Memorandum of Understanding on 27th July 2025 in Manama to enhance cooperation and advance joint strategic initiatives. The agreement focuses on leveraging AI, data analytics, and sustainability to drive growth, resilience, and transformation in the Islamic finance industry. Through this partnership, both institutions will promote digital innovation, human capital development, and specialized training, research, and conferences in Bahrain and internationally.

## CIBAFI Public Lecture on "Navigating the Future: The Role of AI and Fintech in Islamic Finance"

CIBAFI conducted a public lecture titled "Navigating the Future: The Role of AI and Fintech in Islamic Finance" in collaboration with the College of Shariah Sciences in Oman on 23rd September 2025 in Muscat. The lecture explored the transformative impact of AI and fintech on the future of Islamic finance, offering students valuable insights into how technology can drive growth while addressing associated risks, thereby helping Islamic financial institutions remain resilient, ethical, and sustainable in an ever-evolving financial landscape.

# Strategic Objective 2: Sustainability and Innovation Integration within the Framework of Islamic Finance

## Secretary General's Participation at the First Banking and Fintech Forum in Oman


Mr. Hamza Bawazir participated in the First Banking and Fintech Forum, held under the patronage of the Central Bank of Oman alongside the COMEX Summit 2025, on 11th September 2025 in Muscat, Oman. He took part in a key panel discussion on the role of digital transformation in supporting Islamic financial services, titled "The Islamic Fintech Revolution: Regulatory Insights and Growth Prospects." Mr. Bawazir shared valuable insights on the growing role of Islamic fintech in fostering innovation, expanding financial inclusion, and promoting sustainable growth within the Islamic financial industry.

## CIBAFI Participation in UN Bahrain Workshop on Financing for Development

4TH INTERNATIONAL CONFERENCE
FINANCING FOR DEVELOPMENT
SEVILLA 2025

CIBAFI was represented by Mr. Rachid Ettaai, Assistant Director of Strategic Planning and Operations, at the workshop "Paving the Way: Strategic Engagement in the Fourth International Conference on Financing for Development (FfD4)," organized by the United Nations Bahrain on 2nd June 2025.

During his presentation, Mr. Ettaai highlighted CIBAFI's leadership in promoting sustainability in Islamic finance, emphasizing innovative instruments such as sustainability-linked Sukuk and the sector's vital role in advancing the Sustainable Development Goals (SDGs).

## CIBAFI Contribution to SESRIC Training Programme

CIBAFI, represented by Mr. Rachid Ettaai, Assistant Director of Strategic Planning and Operations, was pleased to contribute to the SESRIC Training Programme on 27th May 2025 through a presentation titled "Reimagining Currency: CBDCs, Digital Transformation, and the Islamic Finance Perspective." The session explored the evolution of Central Bank Digital Currencies (CBDCs), their implications for Islamic finance, and the opportunities they offer for innovation and financial inclusion across OIC countries.

## CIBAFI's Sustainability and Innovation Integration Consultation Services

In line with the rapid changes shaping the Islamic financial services industry, CIBAFI is prioritizing the integration of sustainability and innovation as key drivers of long-term growth and resilience. Through its consultation services and practical tools, CIBAFI supports Islamic banks and financial institutions in adopting sustainability principles and leveraging technology within their business models. This initiative helps institutions navigate emerging trends, strengthen their operational frameworks, and align with international best practices while maintaining their Shariah-compliant values.

**For more information about CIBAFI's Sustainability and Innovation Integration consultation services, please contact us via email at cibafi@cibafi.org or by phone at +973 1735 7300.**

# Strategic Objective 3: Industry Research and Analysis

## The Digital Momentum: Impact on Islamic Banks and Guidelines for Adaptability

CIBAFI successfully launched its new publication: "The Digital Momentum: Impact on Islamic Banks and Guidelines for Adaptability". This guide examines how digital transformation is reshaping the landscape of Islamic banking, highlighting key trends, case studies, risks and opportunities, as well as practical guidelines to help institutions remain agile, competitive, and Shariah-compliant. It stands as a valuable resource for decision-makers and industry leaders to navigate change and embrace innovation responsibly.

**Click Here to read the Digital Momentum.**



## CIBAFI Global Islamic Bankers' Survey 2025 on "AI and Data Analytics: Revolutionizing Islamic Banking Operations and Services"

CIBAFI has launched the 10th Edition of its Global Islamic Bankers' Survey (GIBS) 2025, titled "AI and Data Analytics: Revolutionizing Islamic Banking Operations and Services." The report captures insights from 105 leaders and CEOs of Islamic banks and financial institutions across 29 countries, providing valuable regional perspectives and industry benchmarks for the sector.

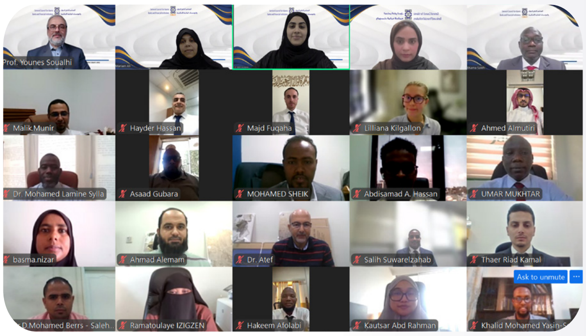
This landmark publication offers exclusive insights into the strategic trends reshaping Islamic banking — from AI and data analytics adoption to evolving risk perceptions and emerging operational and regulatory priorities. Featuring the Islamic Banking Confidence Index, Risk Dashboard, and an in-depth exploration of AI and data analytics in Islamic banking, GIBS 2025 provides essential intelligence for professionals navigating a fast-changing financial landscape.

The findings were presented through a webinar, where speakers shared practical perspectives on the evolving digital landscape in Islamic finance.

**Click here to read the report.**
**Click here to watch the webinar.**

# Strategic Objective 4: Professional Development


## CIBAFI Online Technical Workshop on "Governance and Compliance for Islamic Financial Institutions (IFIs)"

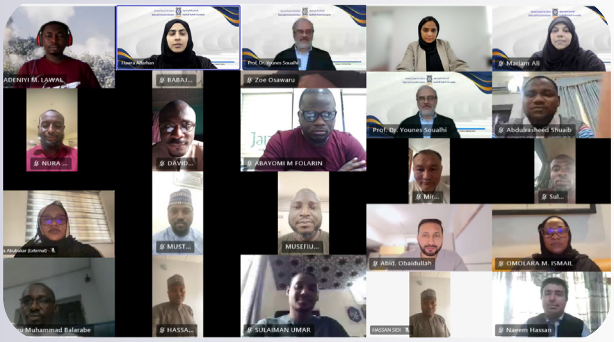


CIBAFI organized an online technical workshop on "Governance and Compliance for Islamic Financial Institutions (IFIs)" on 23rd – 24th June 2025. The programme featured a mix of technical sessions and real-world applications. Key topics included Shariah governance principles, internal control systems, risk-based compliance approaches, and international regulatory perspectives.

## CIBAFI Technical Workshop on "Driving Innovation in Islamic Finance: Exploring the Role of Digital Transformation, AI, and Fintech"

CIBAFI conducted a Technical Workshop on "Driving Innovation in Islamic Finance: Exploring the Role of Digital Transformation, AI, and Fintech" on 23rd –24th September 2025 in Muscat, Oman. Hosted by the Central Bank of Oman, the workshop equipped participants with theoretical knowledge and practical skills on digital transformation strategies, AI and fintech collaboration, data privacy, cybersecurity, and talent management, reflecting CIBAFI's commitment to building capacity, sharing knowledge, and driving innovation across the Islamic financial services industry.

## CIBAFI Online Professional Certification Programmes



Between May and September 2025, CIBAFI implemented several specialized professional certification programmes online, as part of its ongoing efforts to enhance capacity building and develop professional competencies within the Islamic financial services industry. These programmes were conducted in both Arabic and English to meet the needs of a broad segment of professionals across various regions.

The programmes covered diverse topics, including sustainability in Islamic finance, financial product development, governance and compliance, and Shariah auditing, in addition to the Certified Islamic Banker programme.

## In-House Training Programme on the Certified Islamic Specialist in Risk Management with Banque Saudi Fransi

CIBAFI organized an in-house training programme on "The Certified Islamic Specialist in Risk Management" for twelve senior employees of Banque Saudi Fransi. The programme aimed to strengthen participants' understanding of key risk management concepts and best practices in Islamic banking. It combined practical tools with real-world case studies to enhance participants' capabilities in identifying, assessing, and mitigating risks effectively.

## In-House Training Programme on the Certified Islamic Specialist in Shariah Auditing with the Islamic Development Bank (IsDB)

CIBAFI organized an in-house training programme on "The Certified Islamic Specialist in Shariah Auditing" for ten senior employees of the Islamic Development Bank (IsDB). The programme aimed to enhance participants' expertise in Shariah auditing practices and strengthen institutional capacity, aligning the training content with global Islamic finance standards and best practices.

## In-House Training Programme on the Certified Islamic Banker with Al Baraka Bank – Syria

CIBAFI organized two in-house training programmes on "The Certified Islamic Banker" for 40 employees of Al Baraka Bank – Syria. These programmes were designed to strengthen participants' understanding of Islamic banking principles, operational practices, and Shariah-compliant standards. They combined interactive learning, practical tools, and real-world case studies to build participants' technical and professional skills.

## In-House Training Programme on the Certified Islamic Specialist in Product Development in collaboration with the Institute of Banking Studies

CIBAFI, in collaboration with the Institute of Banking Studies – Iraq, organized an in-house training programme titled "The Certified Islamic Specialist in Product Development" for professionals from Iraqi Islamic banks. The programme enhanced participants' skills in developing Shariah-compliant financial products through practical tools and case studies. This initiative supports innovation and capacity building within Iraq's Islamic banking sector.

## Professional Development Summary

CIBAFI offers its specialized professional certification programmes through its network of 20 globally accredited professional development agents across 15 countries. In this context, a total of (34) training sessions have been delivered by CIBAFI and its professional development agents, benefiting (518) trainees.

## CIBAFI Academy

CIBAFI is working on the launch of the CIBAFI Academy as part of its continuing capacity-building initiatives. The Academy aims to provide flexible and globally accessible learning opportunities through professional certifications, diploma programmes, and executive education courses. It seeks to contribute to developing competencies, empowering leadership and boards, and enhancing engagement among alumni and professionals. This initiative is designed to support member institutions by developing human capital, promoting leadership excellence, and achieving sustainable institutional growth.

## CIBAFI – Ivey Business School Executive Programme

CIBAFI continues its fruitful collaboration with Ivey Business School in Canada to organize the 10th edition of the Executive Programme titled "Leading AI-Driven Transformation in the Banking Sector: From Strategy to Execution."

The programme is set to be delivered in a hybrid format (virtual and in-person) with the objective of empowering senior leaders in the financial sector to effectively drive AI-enabled digital transformation. It aims to enhance their understanding of the opportunities and challenges associated with AI, foster a culture of innovation, governance, and risk management, and translate strategic visions into practical applications that create sustainable value for Islamic financial institutions.

Click here **for more details.**

## Communication Outlet: Media

CIBAFI continues to strengthen its engagement with local and international media through press interviews and specialized articles on Islamic finance, thereby contributing to raising awareness and enhancing CIBAFI's media presence at the local, regional, and global levels. Mr. Hamza K. Bawazir shared his insights on the Islamic finance industry during interviews with Asharq Al-Awsat, Oman Radio, and Bahrain TV, highlighting the sector's growth, innovation, and evolving role in the global financial landscape.

Click here to read the full interview with Asharq Al-Awsat.
Click here to view the short interview with Oman Radio.
Click here to view the short interview with Bahrain TV.

## CIBAFI Membership

CIBAFI Membership comprises more than 140 members from over 30 countries. Joining CIBAFI offers access to a global network representing Islamic financial institutions (IFIs), including senior policymakers and regulatory authorities. Members benefit from exclusive events, discounts on workshops and programmes, and insights into emerging trends. They can contribute to CIBAFI's initiatives and gain access to its publications and policy recommendations.

For more details, please contact us at: cibafi@cibafi.org.

## CIBAFI Upcoming Events and Activities

**13th –17th October 2025 | Conakry, Guinea**
**In collaboration with Al Baraka Advisory for Participatory Finance**
**Certified Islamic Banker Programme – French language**

**20th – 23rd October 2025 | Online**
**Certified Islamic Specialist in Shariah Auditing - English language**

**22nd – 23rd October 2025 | Dubai, United Arab Emirates**
**In collaboration with the Emirates Institute of Finance**
**Certified Specialist in Islamic Sustainability Management Programme – in Arabic and English languages**

**10th – 13th November 2025 | Online**
**Certified Islamic Specialist in Product Development - English language**

**10th, 17th, and 24th November 2025 | Online**
**15th December 2025 | in-person in Bahrain & online**
**CIBAFI – Ivey Business School Executive Programme: "Leading AI Transformation in Banking: From Strategy to Execution" - English language**

**8th – 9th December 2025 | Online**
**Technical Workshop on Shariah Governance in Islamic Financial Institutions – in Arabic language**

# About CIBAFI

CIBAFI is an international non-profit organisation founded in 2001 by the Islamic Development Bank (IsDB) and a number of leading Islamic financial institutions. CIBAFI is affiliated with the Organisation of Islamic Cooperation (OIC).

With more than 140 members from over 30 jurisdictions all around the world, CIBAFI is recognised as a key piece in the international architecture of Islamic finance.

In its mission to support the Islamic financial services industry growth by providing specific activities and initiatives that leverage current opportunities while preserving the value proposition of Islamic finance, CIBAFI is guided by its Strategic Objectives, which are, 1) Advocacy of Islamic Finance Values and Related Policies & Regulations; 2) Sustainability and Innovation Integration; 3) Industry Research and Analysis; and 4) Professional Development.

## Contact Information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### Find out more about CIBAFI's activities

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