

ACTIVITIES REPORT 2015-2018

MAY 2019



Organised by



CIBAFI Global Forum

The New Face of Financial Services:
Disruptions, Opportunities and the New Normals

Supported by



General Council for Islamic
Banks and Financial Institutions



المجلس العام للبنوك
والمؤسسات المالية الإسلامية

ACTIVITIES REPORT 2015-2018

MAY 2019

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Acronyms

1.	AAOIFI	Accounting and Auditing Organisation for Islamic Financial Institutions
2.	AGM	Annual General Meeting
3.	ASCAME	Association of the Mediterranean Chambers of Commerce and Industry
4.	BCBS	Basel Committee on Banking Supervision
5.	BOD	Board of Directors
6.	CEO	Chief Executive Officer
7.	CPE	Continuing Professional Education
8.	CSR	Corporate Social Responsibility
9.	EC	Executive Committee
10.	FAS	Financial Accounting Standard
11.	FSB	Financial Stability Board
12.	GIBS	Global Islamic Bankers' Survey
13.	GTS	Global Takaful Survey
14.	G-20	Group of Twenty
15.	IASB	International Accounting Standards Board
16.	IIFM	International Islamic Financial Markets
17.	IMF	International Monetary Fund
18.	IOSCO	International Organization of Securities Commissions
19.	IFII	Islamic Financial Industry Information
20.	IFI	Islamic Financial Institution
21.	IFSB	Islamic Financial Services Board
22.	IFSI	Islamic Financial Services Industry
23.	IRTI	Islamic Research and Training Institute
24.	MCG	Members' Consultative Group
25.	MoU	Memorandum of Understanding
26.	MSME	Micro, Small and Medium Enterprises
27.	NASBA	National Association of State Boards of Accountancy
28.	OECD	Organisation for Economic Co-operation and Development
29.	OIC	Organization of Islamic Cooperation
30.	RSAs	Regulatory and Supervisory Authorities
31.	SME	Small and Medium Enterprises
32.	ToT	Trainings of Trainers
33.	UAB	Union of Arab Banks
34.	WB	World Bank

About Us

The General Council for Islamic Banks and Financial Institutions (CIBAFI)

CIBAFI is an international non-profit organisation established in 2001, headquartered in the Kingdom of Bahrain and affiliated with the Organization of Islamic Cooperation (OIC).

CIBAFI represents the Islamic financial services industry globally, defending and promoting its role, consolidating co-operation among its members, and with other institutions with similar interests and objectives.

With over 125 members from more than 34 jurisdictions, representing market players, international intergovernmental organisations and professional firms, and industry associations, CIBAFI is recognised as a key piece in the international architecture of Islamic finance.

Its mission is to support Islamic financial services industry by being the leading industry voice advocating regulatory, financial and economic policies that are in the broad interest of its members and that foster the development of the Islamic financial services industry and sound industry practice.



Our Mission

To support the Islamic Financial Services Industry (IFSI) by being the leading industry voice advocating regulatory, financial and economic policies that are in the broad interest of our members and that foster the development of the IFSI and sound industry practices.



Core Values

A set of core values drives the operations of the Secretariat. These core values are universal and apply to all aspects of the operations and to each member of the Secretariat:

Excellence – being excellent in what we do;

Transparency – being transparent to our stakeholders, our members and of course to our own self in our activities and initiatives;

Accountability – being accountable for the activities and actions we undertake at CIBAFI;

Commitment to results – being committed to deliver measurable results as per the mandate of CIBAFI.

Consultation Process

In 2014, CIBAFI has formulated its first Strategic Plan 2015 – 2018 that served as a guide for performing and producing its expected outputs, and for fulfilling its role in supporting and advocating the IFSI.

CIBAFI always works to ensure its mission remains relevant to its stakeholders, and to uphold that standard, we launched a wide consultation process to gather their feedback. Operating under the guidance of the Board of Directors (BOD), the Secretariat has identified the following strategic goals and objectives that are within the mandate of CIBAFI:

Strategic Goals

Through its consultation process and assessment of members' needs and expectations, the Secretariat has identified the following strategic goals that are within the mandate of CIBAFI:

Strategic Goal 1: Promoting and facilitating the growth of Islamic finance;

Strategic Goal 2: Enhancing cooperation among members and other interested institutions, both regional and global, with a view to sharing best practices;

Strategic Goal 3: Fostering economic growth and development through the value-added proposition of Islamic finance.

Strategic Objectives



With the rapid changes and developments of the financial services industry, it is important to reassess our activities frequently to reflect the changing needs of our members. Thus, with the end of CIBAFI's Strategic Plan 2015 – 2018, CIBAFI has embarked on the development of its upcoming strategic plan for the next four years, 2019 – 2022, in accordance with the previous process, guidance from the BOD, and consultation from our stakeholders.

Board of Directors

Chairman

H.E. Sheikh Saleh A. Kamel*

Group Chairman
Al Baraka Banking Group

Prof. Md. Nazmul Hassan
Eng. Mustafa Anwar (2015 – 2017)
Mr. Arastoo Khan (2017 – 2018)

Chairman
Islami Bank Bangladesh Limited
Bangladesh

Vice Chairman

H.E. Abdulhameed M. Aboumoussa*

Governor
Faisal Islamic Bank of Egypt

Mr. Melikşah Utku

General Manager
Al Baraka Türk Participation Bank
Turkey

Mr. Musa A. Aziz Shihadeh*

Chief Executive Officer & General Manager
Jordan Islamic Bank
Jordan

Dr. Abdul Hameed Mohammed Jameel

Board of Director Member
Sudanese Bank Association
Sudan

Mr. Ahmed Mohammed Sabbagh

General Manager
Islamic Insurance Co.
Jordan

Mr. Mohamed Taya

Executive Director
Banque Al Wava Mauritanienne Islamique
Mauritania

Mr. Shadi Zahran*

Chief Financial Officer
Kuwait Finance House
Kuwait

Dr. Abdul Rahman Mohammad Dirar
Mr. Musaad Mohamed Ahmed Abdul
Karim (2012 – 2018)

General Manager
Industrial Development Bank
Sudan

Mr. Abdulla Zaid Al Shehhi***Head of International Expansion**

Abu Dhabi Islamic Bank
United Arab Emirates

Mr. Hamza Bawazir***Mr. Abdulrazzak M. Elkhraijy* (2012 – 2018)**

Executive Vice President & Head of Shariah Group
The National Commercial Bank
Saudi Arabia

Dato' Haji Mohd Redza Shah Abdul Wahid**Chief Executive Officer**

Bank Muamalat Malaysia Berhad
Malaysia

Dr. Gaffer Khalid*

**Manager, Islamic Finance Advisory & Technical
Assistant Division Islamic Financial Sector
Development Dep.**

Islamic Development Bank
Saudi Arabia

Dr. Sami Al- Suwailem* (2012 – 2018)

Head of Financial Product Development Center

Mr. Nidal N. Barghouti**General Manager**

Safa Bank
Palestine

Mr. Oussama Abdel Rahman Kaissi (2015 – 2017)**Eng. Hani Sonbol (2014 – 2015)****Chief Executive Officer**

The Islamic Corporation for the Insurance
of Investment & Export Credit (ICIEC)
Saudi Arabia

Mr. Yousif Abdulla Taqi (2012 – 2017)**Chief Executive Officer**

Al Salam Bank
Bahrain

Mr. Ahmed Mohammed Sabbagh (2012 – 2017)**Board of Directors' Chairman**

**The Federation of Takaful & Islamic
Insurance Companies**
Sudan

Mr. Abdulgabbbar Hayel Saeed (2012 – 2017)**Board of Directors' Chairman**

Tadhamon International Islamic Bank
Yemen

***Executive Committee Member**

Accreditation Board



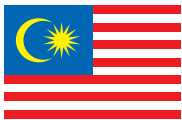
Dr. Layachi Feddad

Senior Shariah Specialist
Islamic Development Bank
Saudi Arabia



Dr. Abdul Salam Al-Abadi

Secretary General
International Islamic Fiqh Academy
Saudi Arabia



Prof. Dr. Mohamad Akram Laldin

Executive Director
International Shari'ah Research Academy for Islamic Finance (ISRA)
Malaysia



Dr. Faisal M. Al-Atabani

Assistant Professor of Law
King Abdulaziz University
Saudi Arabia



Dr. Mohamed Pres

Director & Professor of Islamic Economics
Saleh Kamel Center for Islamic Economics
Egypt
Dr. Youssef Ibrahim Youssef (2009 – 2018)



Dr. Riyadh Al-Hindawi

Director of Institute of Banking Studies
Institute of Banking Studies
Jordan

Members' Consultative Group



Mr. Mohammed Fawaz Sudqi Sadeq Imam

Head of Treasury and Banking Relations Department
Jordan Islamic Bank
Jordan



Mr. Mehmet Fehmi Eken
Islamic Finance Specialist

Dr. Sami Ibrahim Al-Suwailem (2015 – 2018)

Head of Financial Product Development Centre
Islamic Development Bank
Saudi Arabia



Mr. Abdulkareem Ersan Sukkari

Chief Risk Officer
Islamic International Arab Bank
Jordan



Mr. Md. Siddiqur Rahman
Executive Vice President

Mr. Md. Abdul Jabbar (2015 – 2018)

Executive Vice President & Head of Risk Management Wing
Islami Bank Bangladesh Limited
Bangladesh



Mr. Khalid Al Qattan (2015 – 2018)

First Vice President – Head of Treasury & Investments
Al Baraka Banking Group
Bahrain



Mr. Abdulwahab Issa Abdulwahab Al-Rushood

General Manager, Treasury
Kuwait Finance House
Kuwait



Mr. Abdul Qadir Khanani (2015 – 2018)

Group Treasurer
Abu Dhabi Islamic Bank
United Arab Emirates



Dr. Mohammed Burhan Arbouna

Executive Vice President
Head of Sharia Department
Al Salam Bank
Bahrain



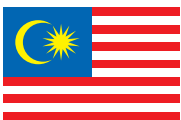
Mr. Mohamed El Haiba Sidi Baba

Head of Electronic Department
Banque Al Wava Mauritanienne
Islamique
Mauritania



Mr. Feyzullah Orman

Manager of the Board Reporting Department
Al Baraka Türk Participation Bank
Turkey



Mr. Syed Alwi (2017 – 2018)

Executive Vice President,
Strategic Planning Division
Bank Muamalat Malaysia Berhad
Malaysia

CIBAFI Secretariat

The Secretariat works to implement CIBAFI activities set forth in the annual work plan that are within the framework of its overall strategic plan. The Secretariat is committed to achieving the strategic goals, strategic objectives, outputs and outcomes, aligning with human and capital resources.

CIBAFI Internal Committees

CIBAFI has established two new internal committees: the CIBAFI Editing Committee and the CIBAFI Sustainability Committee.

CIBAFI Editing Committee

This committee is responsible for editing CIBAFI publications' contents as well as revising the final design of the publications before their official issuance.

CIBAFI Sustainability Committee

This committee is responsible for promoting Corporate Social Responsibility (CSR) within CIBAFI Secretariat by providing advice, coordination, and guidance to the Secretariat for the implementation of sustainability policies and practices set forth. The committee's mandate is to oversee operational activities both within the workplace and outside the organisation.

Message from the Chairman



Praise be to Allah (swt) and peace be upon the Prophet Mohammed (pbuh), his companions and followers, and thanks to the Almighty for the blessings and His grace upon us. It is with great pleasure that I extend my sincere greetings, on behalf of the BOD, to the members, strategic partners, and stakeholders of CIBAFI as well as to the readers of the CIBAFI Activities Report.

As CIBAFI successfully completes its first Strategic Plan for the period 2015-2018, I am glad to share with you the activities report for the period, which represents the fruit of the continuous work executed under the Strategic Plan to achieve the mission of CIBAFI.

Today marks 10 years since the global economy was hit by one of its most devastating crises that has triggered major alerts of the deficiencies existing within the financial system. Since the Global Financial Crisis, global markets have reconsidered their dependence on the conventional financial system, and have started to pursue more responsible and ethical modes of financing that contribute to economic growth and sustainable business practices. The crisis has thus created a growing interest in sustainable initiatives and put forward Islamic finance as an alternative mode of financing that prevails for its high ethical values and goals of achieving financial inclusion and sustainability.

Islamic finance has become today an active pillar in many economic systems, establishing its existence and offering solutions to the problems and challenges faced by individuals and communities. However, with the continuous growth of Islamic finance, it is important to adapt the regulatory frameworks to cater to the needs of Islamic financial institutions (IFIs) and their specificities. Global initiatives have been undertaken by standard-

setting bodies and regulators; however, there are still efforts to be made for the development of an integrated Islamic finance framework. It is at this point that we can see the importance of the role of International IFIs, such as CIBAFI, in guiding the industry to overcome these challenges and to take advantage of the opportunities in the market.

CIBAFI continues to contribute to the development of the industry by raising awareness and knowledge to ensure high standards of professionalism and sound business practices to keep pace with the latest and most important developments in the industry. For this purpose, CIBAFI has developed its new Strategic Plan for the period 2019-2022 where it revisited its existing objectives and goals to internalize and focus on the achievement of upholding the values of Islamic finance (Maqasid Al Shariah) and the real economy within the IFSI. CIBAFI will continue to perform its activities in 2019 under its new, reformulated Strategic Objectives: Advocacy of Islamic Finance Values and related Policies & Regulations; Research and Innovation; and Training and Professional Empowerment.

I am happy to share this report of the great results that we were able to achieve during the period 2015 – 2018, by the grace of Allah (swt), and with the support of my fellow BOD members and the members of CIBAFI. All of this was achieved by the continuous and rigorous efforts as well as our faith in the real responsible economy.

Finally, I would like to extend my sincere thanks to the Secretariat wishing that our new plan will focus, in the first place, on Maqasid Al Shariah and the service of our clients.

Yours Sincerely,
H.E. Sheikh Saleh A. Kamel
 Chairman

Message from the Secretary General



On behalf of CIBAFI, I am proud to present this CIBAFI Activities Report for the period 2015 - 2018, where the Secretariat has been working closely to successfully fulfil its mission globally through its outlined strategic plan and four objectives.

Through its first Strategic Objective, CIBAFI aims to represent the IFSI with international standard setting organisations and regulatory and supervisory authorities to voice the industry's concerns and ensure that their needs are taken into account when standards and regulations are being developed. In this context, CIBAFI makes representations to international bodies, such as the International Monetary Fund (IMF), the World Bank (WB), the Basel Committee on Banking Supervision (BCBS), the Islamic Financial Services Board (IFSB), the Accounting and Auditing Organisation for Islamic Financial Institutions (AAOIFI), and the G-20, where it submits comments on standards being developed as well as signs Memorandums of Understanding (MoU) to foster the development of Islamic finance globally, and which has led to conducting a number of advocacy and representation initiatives.

Under the second Strategic Objective of "Research and Publications", CIBAFI aims to provide guidance and shape the way forward for the financial sector through publications that promote and develop best practices within the industry as well as highlight opportunities in emerging markets in the Islamic finance sector. Thus, CIBAFI publishes annual surveys, joint publication with international organisations, a series of "CIBAFI Briefings" covering important topics relevant to IFIs, as well as various other initiatives.

CIBAFI also organises various programmes and events as part of its third Strategic Objective of "Awareness and Information Sharing", aiming to create a platform through which members may share their experience and discuss issues and emerging challenges of the industry as well as a mean to promote cooperation between industry practitioners and those involved in Islamic finance. Thus, in this context, CIBAFI conducts a number of conferences, forums, seminars, roundtable meetings and other regional and international events.

Under the fourth Strategic Objective of "Professional Development", CIBAFI seeks to develop human resources, given they are a key factor in the development of the IFSI globally. Thus, it conducts a number of executive programmes with prestigious reputable universities, technical workshops, and offers professional certificates in various fields related to the IFSI. CIBAFI commits to continuously deliver high-quality continuing professional education that goes in line with international quality standards. Accordingly, we are pleased to announce that CIBAFI's professional certificates have been globally accredited by the National Association of State Boards of Accountancy (NASBA).

CIBAFI Secretariat will continue its work to achieve its new strategic objectives in the upcoming period. These go in line to a large extent with the previous objectives with a special focus on the added value of Islamic finance and sustainable development.

I would like to express my sincere thanks for the support that we are receiving from our Board of Directors, our members, and from other stakeholders of the industry in our effort to strengthen the IFSI globally.

Yours Sincerely,
Abdelilah Belatik
Secretary General



Introduction

CIBAFI has a unique role in the global architecture of Islamic finance as it is the only member-based organisation that exists to promote the interests of Islamic finance practitioners.

The architects of CIBAFI envisioned the organisation as having its members as immediate stakeholders, and believe that its services should evolve closely in line with its members' needs and priorities. As a result, CIBAFI has, under the direction of its BOD, developed an expanding set of products and initiatives that provide members with a wide range of benefits.

In line with its mission to represent the IFSI globally, CIBAFI also has a broader role to promote the industry and to raise the level of cooperation between members, in order to achieve the intended goals and interaction with key public sector authorities and multilateral institutions.

The Secretariat is pleased to report on CIBAFI's plentiful achievements in executing its Strategic Plan for the period from 1st January 2015 until 31st December 2018. The focus in the stated period, 2015 – 2018, was on the following strategic objectives:



CIBAFI's Collaboration with International Bodies

During the period 2015 – 2018, CIBAFI has collaborated with several international bodies to enhance the IFSI through various activities and initiatives; these collaborations included:

- MoU with the World Bank (WB)
- MoU with the Union of Arab Banks (UAB)
- Strategic membership with the International Monetary Fund (IMF)
- Strategic membership with the International Accounting Standards Board (IASB)



CIBAFI Meetings

During the period 2015 – 2018, CIBAFI held a number of meetings, including five (5) EC meetings, eleven (11) BOD meetings, and four (4) AGMs.

During the meetings, the agenda included the Board's

approval of the Members' Consultative Group (MCG) nominations, new membership requests to join CIBAFI's membership base, CIBAFI activities report of each year, as well as the following up on the resolutions and recommendations that resulted from each meeting.



CIBAFI periodic meetings were conducted as follows:

- ➔ 8th April 2015 | 25th BOD Meeting | Manama, Bahrain
- ➔ 25th June 2015 | 26th BOD and 15th AGM Meetings | Jeddah, Saudi Arabia
- ➔ 16th September 2015 | 3rd EC Meeting | Amman, Jordan
- ➔ 16th December 2015 | 27th BOD Meeting | Cairo, Egypt
- ➔ 13th March 2016 | 4th EC Meeting | Jeddah, Saudi Arabia
- ➔ 5th May 2016 | 28th BOD Meeting | Medina, Saudi Arabia
- ➔ 13th June 2016 | 29th BOD and 16th AGM Meetings | Jeddah, Saudi Arabia
- ➔ 5th December 2016 | 30th BOD and 5th EC Meetings | Manama, Bahrain
- ➔ 8th May 2017 | 31st BOD Meeting | Amman, Jordan
- ➔ 4th June 2017 | 32nd BOD and 17th AGM Meetings | Jeddah, Saudi Arabia
- ➔ 25th February 2018 | 6th EC Meeting | Jeddah, Saudi Arabia
- ➔ 2nd May 2018 | 33rd BOD Meeting | Istanbul, Turkey
- ➔ 22nd May 2018 | 18th AGM | Jeddah, Saudi Arabia
- ➔ 6th September 2018 | 7th EC Meeting | Cairo, Egypt
- ➔ 4th October 2018 | 34th BOD Meeting | Kuala Lumpur, Malaysia
- ➔ 18th December 2018 | 35th BOD Meeting | Jeddah, Saudi Arabia





New Term for the Members of CIBAFI Board of Directors

The new term of CIBAFI's BOD is chaired by its founding Chairman **H.E. Sheikh Saleh A. Kamel**, Chairman of Al Baraka Banking Group, Bahrain and the Deputy Chairman **Mr. Abdulhameed M. Aboumoussa**, Governor of Faisal Islamic Bank of Egypt, Egypt. The BOD term has been renewed for the following members: **Mr. Musa A. Aziz Shihadeh**, General Manager and Chief Executive Officer, Jordan Islamic Bank, Jordan; **Prof. Md. Nazmul Hassan**, Chairman, Islami Bank Bangladesh Ltd., Bangladesh; **Mr. Shadi Zahran**, Chief Financial Officer, Kuwait Finance House, Kuwait; **Mr. Hamza Bawazir**, Head of Shariah Group, the National Commercial Bank, Saudi Arabia; **Dr. Gaffer Khalid**, Manager, Islamic Finance Advisory & Technical Assistant Division, Islamic Financial Sector Development Department, Islamic Development Bank; **Dr. Abdul Hameed Mohammed**

Jameel, Board of Director Member, Sudanese Bank Association, Sudan; **Mr. Ahmed Mohammed Sabbagh**, General Manager, Islamic Insurance Co., Jordan; **Dr. Abdul Rahman Mohammad Dirar**, General Manager, Industrial Development Bank, Sudan; and **Mr. Abdulla Zaid Al Shehhi**, Head of International Expansion, Abu Dhabi Islamic Bank, United Arab Emirates.

In addition, four (4) new BOD members have been appointed as follows: **Dato. Haji Mohd Redza Shah Abdul Wahid**, Chief Executive Officer, Bank Muamalat Malaysia Berhad, Malaysia; **Mr. Mohamed Taya**, Executive Director, Banque Al Wava Mauritanienne Islamique, Mauritania; **Mr. Melikşah Utku**, General Manager, Al Baraka Türk Participation Bank, Turkey; and **Mr. Nidal N. Barghouti**, General Manager, Safa Bank, Palestine.

CIBAFI is pleased to expand the geographical coverage of its BOD to include North African, Southeast Asian, and European representatives.





Strategic Objective 1: Policy, Regulatory Advocacy

Strategic Objective 1:

Policy, Regulatory Advocacy



Basel Committee on Banking Supervision



BANK FOR INTERNATIONAL SETTLEMENTS

In an increasingly complex regulatory environment, new regulations are constantly being proposed for the financial sector. These regulations affect IFIs as well as conventional institutions. International standard-setting organisations, as well as regulatory and supervisory authorities (RSAs), need to better understand how their proposals affect the IFSI and lead to operational and strategic challenges for the industry.

As the voice of the industry, CIBAFI ensures to raise the concerns of the industry with relevant bodies to ensure that their needs are considered when standards and regulations are developed. CIBAFI engages with international setting organisations both conventional, such as the BCBS, IOSCO, IMF, FSB, IAIS, IASB; and Islamic, such as AAOIFI, IFSB, IIFM, etc., in a constructive and proactive dialogue to highlight the challenges the industry is facing and implications of regulatory requirements in their business operations.

Members' Consultative Group

The establishment of the Members Consultative Group (MCG) was based on the BOD resolution taken during the 25th BOD meeting on 8th April 2015 in Manama, Bahrain. The objective of the MCG is to provide the Secretariat with inputs on technical and policy issues related to the global Islamic finance industry. The MCG includes experts from eleven (11) CIBAFI member institutions, namely:

- ➔ Abu Dhabi Islamic Bank, United Arab Emirates
- ➔ Al Baraka Banking Group, Bahrain
- ➔ Al Baraka Türk Participation Bank, Turkey
- ➔ Al Salam Bank, Bahrain
- ➔ Bank Muamalat Malaysia Berhad, Malaysia
- ➔ Banque Al Wava Mauritanienne Islamique, Mauritania
- ➔ Islami Bank Bangladesh Limited, Bangladesh
- ➔ Islamic Development Bank, Saudi Arabia
- ➔ Islamic International Arab Bank, Jordan
- ➔ Jordan Islamic Bank, Jordan
- ➔ Kuwait Finance House, Kuwait



CIBAFI Members Consultative Group Meetings

The Secretariat held six (6) meetings of the MCG during the period 2015 – 2018

During the meetings, members provided inputs on technical and policy issues related to the global Islamic finance industry and discussed the future initiatives and projects of CIBAFI, including CIBAFI publications such as: CIBAFI's GIBS, CIBAFI's GTS, CIBAFI Briefings as well as CIBAFI Awards and CIBAFI Comments to the Standards Setting Bodies.

The MCG meetings conducted were as follows:

- 8th December 2015 | 1st MCG Meeting | Manama, Bahrain
- 3rd May 2016 | 2nd MCG Meeting | Manama, Bahrain
- 5th December 2016 | 3rd MCG Meeting | Manama, Bahrain
- 9th May 2017 | 4th MCG Meeting | Amman, Jordan
- 5th December 2017 | 5th MCG Meeting | Manama, Bahrain
- 3rd May 2018 | 6th MCG Meeting | Istanbul, Turkey



CIBAFI Comments

CIBAFI Comments on the International Monetary Fund – World Bank Policy Notes and Working Papers



CIBAFI, as one of the members of the IMF External Advisory Group on Islamic finance, was pleased to provide its comments in 2015 on the Policy Note for the IMF and WB consideration, which are of importance and relevance to the global Islamic finance industry within the scope of the G-20 priorities. The Secretariat focused on the importance of promoting legal and financial infrastructures, as well as incentives relating to Small and Medium Enterprises (SME) finance, which cater for specificities of the business models, operations, and core value propositions of Islamic finance.

The Secretariat also commented on IMF working papers including the paper that presents monetary policy implementation with a presence of Islamic banks. The Secretariat has provided its technical comments focusing on the underlying mechanism of monetary transmission for Islamic financial system in a dual banking system.

CIBAFI Comments to the Financial Stability Board on the Effect of the Decline of Correspondent Banking Relationships



CIBAFI has raised its recommendations to the FSB on 20th April 2018 pertaining to the “Correspondent Banking” matter. CIBAFI highlighted that correspondent banking is an issue of particular importance to CIBAFI members – Islamic banks, few of whom have a global reach and most of whom are in emerging or developing markets. The data presented has overall suggested that the practical impact of de-risking has to date been felt across a relatively few banks and geographies, but it has been sufficient to raise concerns on global arena in order to promote sound Islamic financial services practices.

CIBAFI Comments to the Basel Committee on Banking Supervision



Basel Committee on Banking Supervision

BANK FOR INTERNATIONAL SETTLEMENTS

CIBAFI submitted a set of comments to the BCBS on the below consultative documents:

- 30th May 2016 | Standardised Measurement Approach for Operational Risk
- 27th September 2017 | Simplified alternative to the standardized approach to market risk capital requirements
- 21st October 2017 | Sound Practices: Implications of fintech developments for banks and bank supervisors
- 20th March 2018 | Stress Testing Principles
- 14th May 2018 | Pillar 3 disclosure requirements – updated framework

Based on the comments submitted, on 22nd of March 2018 the BCBS has published a set of new proposals on market risk, proposing a recalibrated version of Basel II as their simplified option going in line with CIBAFI's recommendations. This reflects the crucial role of CIBAFI's Policy, Regulatory Advocacy on an international level.

CIBAFI Comments to the Islamic Financial Services Board



ISLAMIC FINANCIAL SERVICES BOARD

CIBAFI submitted a set of comments to the IFSB on the below Exposure Drafts:

- 4th January 2015 | Exposure Draft 18 on "Guiding Principles for Retakaful (Islamic Reinsurance)"
- 11th January 2015 | Exposure Draft of Guidance Note 6 on "Quantitative Measures for Liquidity Risk Management in Institutions offering Islamic Financial Services"
- 30th December 2016 | Exposure Draft 19 on "Guiding Principles on Disclosure Requirements for Islamic Capital Market Products (Sukuk and Islamic Collective Investment Schemes)"
- 27th May 2018 | Exposure Draft 22 on "Revised Standard on Disclosures to Promote Transparency and Market Discipline for Institutions Offering Islamic Financial Services [Banking Segment]"

CIBAFI Comments to the Accounting and Auditing Organisation for Islamic Financial Institutions



AAOIFI
ACCOUNTING AND AUDITING ORGANIZATION
FOR ISLAMIC FINANCIAL INSTITUTIONS

CIBAFI submitted a set of comments to the AAOIFI on the below Exposure Drafts:

- 3rd April 2017 | Exposure Draft on Financial Accounting Standard (FAS) No. 29: "Sukuk Issuance"
- 14th August 2017 | Exposure Draft on Auditing Standard No. 6: "External Shariah Audit (Independent Assurance Engagement on an Islamic Financial Institution's Compliance with Shariah Principles and Rules)"
- 3rd October 2017 | Exposure Draft on FAS No. 30: "Impairment and Credit Losses"
- 23rd October 2017 | Exposure Draft on FAS No. 31: "Investment Agency" (Al-Wakala Bi Al-Istithmar)
- 9th November 2017 | Exposure Draft on Governance Standard No. 9: "Shariah Compliance Function"
- 12th December 2017 | Exposure Draft on FAS No. 34: "Financial Reporting for Sukuk-holders"
- 27th February 2018 | Exposure Draft on Governance Standard No. 10: "Shariah Compliance and Fiduciary Ratings for Islamic Finance Institutions"
- 28th June 2018 | Exposure Draft on the Revised FAS No. 25: "Investments in Sukuk, shares and similar instruments"

CIBAFI's Voice in the International Arena



The B-20 group, a platform for business leaders from G-20 economies, has come up with the B-20 Turkey Financing Growth Taskforce in 2015, which is co-chaired by Mr. Adnan Ahmed Yousif, President and Chief Executive of Al Baraka Banking Group. The Taskforce aims to improve and strengthen the current global financial architecture, increase and diversify the access to equity for SMEs, and improve the financing structure of the corporate world towards a better balance of debt and equity financing.

CIBAFI Secretariat presented a policy note with several recommendations which are pertinent to the global Islamic finance industry within the scope of the Taskforce priorities. In its submission, CIBAFI expressed its appreciation of the work that the Taskforce does to facilitate SME financing and to improve global regulation of markets. The recommendations from the policy note have been successfully incorporated into the 2015 B-20 Financing Growth Taskforce Policy Paper.

CIBAFI Signs a Memorandum of Understanding with the World Bank



CIBAFI and the WB signed a MoU on 9th July 2015, which aims to promote the development of Islamic finance globally and expand its use as an effective tool for financing development worldwide, including non-Muslim countries.

The MoU serves as the foundation for future cooperation in the areas of knowledge generation and dissemination; distilling and sharing lessons of experience; encouraging research and promoting awareness; and enhancing capacity in the IFSI.

This signing underscores the WB's commitment to the development of the IFSI, which in return contributes to the evolution of global finance; this then supports the real sector economic activity, and also addresses the challenges of ending extreme poverty and boosting shared prosperity.

This partnership also strengthens CIBAFI's role as the 'voice' of the industry and advocate for the IFSI with other international organisations, standard setting bodies and RSAs. This also supports CIBAFI's other strategic objectives of Research and Publication, and Awareness and Information Sharing.

CIBAFI's Recommendation to the Organization of Islamic Cooperation



CIBAFI submitted its recommendations to the OIC to support Islamic finance through its Ten-Year Programme of Action for 2016 – 2025, putting forward four key strategic objectives to further support the development of the IFSI.

Strategic Objective 1:

Enablement of Islamic financial regulations to cover all sectors, and the creation of an environment conducive to IFIs.

Strategic Objective 2:

Prioritizing the use of Islamic finance in order to alleviate social exclusion and develop SME financing.

Strategic Objective 3:

Advocating Islamic finance regulations for institutional investors and Islamic capital markets in order to channel the Muslims' wealth, in particular from the Sovereign Wealth Funds, into Islamic finance development and infrastructures financing across the OIC member states.


Strategic Objective 4:

Facilitate the global linkages of Islamic finance through cooperation between OIC members, non-members, international IFIs, and other multilateral institutions.

CIBAFI participated in the first consultative meeting on the "OIC 2025 - Programme of Action", on 7th – 8th December 2014 in Jeddah, Saudi Arabia to discuss the first draft of the Programme.

In order to continue the cooperation and fruitful working relationship with the OIC in fostering the development of the IFSI, CIBAFI submitted its report of activities for the period 2016 - 2018 to the OIC. The report included a list of activities undertaken by CIBAFI within the "Action Programme of Implementation" of OIC-Strategic Plan 2025, for reporting during the sessions of the Council of Foreign Ministers.

CIBAFI continues its cooperation with the OIC by participating in periodic meetings and providing recommendations and proposals in brainstorming sessions on the overall reform of the organization.



Strategic Objective 2: Research and Publications

Strategic Objective 2: Research & Publications



Market-related research is crucial for guiding us as we forge ahead and navigate the complexities of the financial sector in a world that lacks innovation in products and services. Research is an integral element of development, which is a necessity at the current stage of the IFSI development. Publications may promote best practices within the industry and may also highlight opportunities in emerging markets in the Islamic finance sector.

The "Satisfaction and Expectation Survey" that the Secretariat conducted found that members place high value on receiving high quality research from CIBAFI on issues that are relevant to the Islamic finance industry.

Global Islamic Bankers' Survey

CIBAFI issues its GIBS Report annually, expressing the views of Chief Executive Officers (CEOs) of Islamic banks from different countries on the IFSI. The report monitors Islamic bankers' perspectives on a year-by-year basis, and provides annual recommendations that are of high relevance to the industry's needs – making it a one-of-a-kind publication in the market.

The GIBS survey covers a specific theme each year that is relevant to the IFSI's current and future needs. Each survey consists of four main parts, where the first two parts (CIBAFI Confidence Index and CIBAFI Risk Dashboard) are fixed in each year's survey, and the third and fourth parts following the theme of that year.

During the period 2015 – 2018, CIBAFI launched three GIBS reports as outlined below:



CIBAFI Inaugural GIBS 2015 on "Risk Perception, Growth Drivers, and Beyond"

The inaugural survey report expressed the views of the heads of 83 Islamic banks from 35 different countries. The survey focused on uncovering the underlying key drivers of sustainable growth of Islamic banks across various countries, including seeking untapped business lines as potential sources of organic growth. It also presented practitioners' perspectives towards key obstacles in equity finance, profit sharing investment account, and SME finance, and made conclusions about some of the main capacities that Islamic banks need to build, as well as responsibilities of various stakeholders to develop external infrastructures for inclusion and risk sharing.



CIBAFI Second GIBS 2016 on "Confidence, Risk and Responsible Business Practices"

The second GIBS report reflected the views of 86 CEOs of Islamic banks from 29 different countries. This survey focused on responsible business and sustainability practices as well as presenting leading practices, derived through interviews with heads of Islamic banks and in-depth research. It examined Islamic bankers' positions regarding several aspects of responsible and sustainable finance, presented examples of existing activities that Islamic banks are currently implementing in this field, and offered some recommendations for the Islamic banking industry to further its involvement in this respect.



CIBAFI Third GIBS 2018 on "Evaluating Future Impacts: Strategic Thinking, Branding and Financial Technologies"

The third GIBS report presented the views of 103 CEOs of Islamic banks from 31 different countries. This survey focused on strategic thinking of Islamic banks in a number of different aspects, namely corporate strategy; leadership; innovation; branding; and customer relationships and evolving servicing strategies. It also assessed the level of readiness of the Islamic banking industry with respect to financial technology and digital transformation.

CIBAFI Global Takaful Survey 2018

In succession to the GIBS report, CIBAFI has extended its approach to cover another component of the IFSI: the Takaful industry. It initiated the GTS Report, intended to be published on a periodical basis, to measure the pulse of the Takaful industry and provide collective feedback on the risks, challenges and potential opportunities the sector holds. It provides a first-hand source of industry intelligence and information, identifying the elements in paving the way for future growth and development of the Takaful industry.

CIBAFI launched its inaugural GTS report in 2018 as outlined below:



CIBAFI Inaugural GTS 2018 on "Risk Perception, Growth Drivers and the Impact of Technology"

The inaugural survey report expressed the views of the heads of 55 Takaful companies from 24 countries globally. The survey focused on uncovering the main growth drivers of the Takaful industry as well as examining the possible future impact of technology on the industry.

CIBAFI & World Bank Report



CIBAFI and the WB launched their first joint publication, titled "Corporate Governance Practices in Islamic Banks 2017", in Manama, Bahrain during the 5th meeting of the MCG.

This publication is one of the outcomes of CIBAFI and the WB MoU signed in July 2015 and comes following CIBAFI's Briefing on Corporate Governance that drew attention to important developments in the field in recent years and emphasized the need to update standards on corporate governance for Islamic banks to take those developments into account.

The publication breaks new ground in the field of corporate governance for Islamic banks, identifying the strengths and weaknesses of corporate governance practices in IFIs and proposing policy recommendations to improve these practices. Its methodology is academically rigorous, yet its findings and conclusions are easily accessible and have clear implications for the day-to-day governance of Islamic banks.

CIBAFI's Briefings

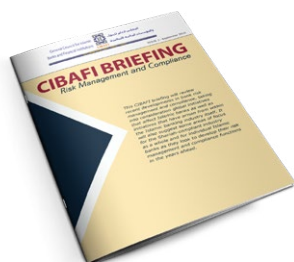
CIBAFI Briefing is a need-based publication, covering the most relevant areas of the Islamic finance industry, that aims to keep its members and other IFIs informed about certain issues, updates, and practices in specific areas of interest to the industry.

CIBAFI launched nine (9) briefings during the period 2016 – 2018, as below:



March 2016 | CIBAFI Briefing Issue 1 on "Corporate Governance"

This briefing considered corporate governance standards for banks, looking into recent updates of international standards and corporate governance practices within the Islamic banking industry. It identified key points that are relevant to the work of banks' directors, senior management, and other stakeholders.



September 2016 | CIBAFI Briefing Issue 2 on "Risk Management and Compliance"

This briefing reviewed recent developments in banks' risk management and compliance, taking into consideration global initiatives that affect Islamic banks as well as those arising from within the Islamic banking industry itself. It suggested some areas of focus for the Shariah-compliant industry as a whole and for individual Islamic banks to develop their risk management and compliance functions in the years ahead.



October 2016 | CIBAFI Briefing Issue 3 on "Tier 1 and Tier 2 Capital Sukuk"

This briefing considered some of the important aspects of 'Capital Definitions' under the Capital Adequacy revised standards and described some of the instruments that conform to these regulations. It presented an analysis of Sukuk that Islamic banks have issued to strengthen their capital ratios, highlighting some issues that IFIs may face and providing key recommendations.



January 2017 | CIBAFI Briefing Issue 4 on "Rethinking Values for Sustainable Growth"

This briefing was an outcome of CIBAFI's Inaugural Global Forum in 2016 on: "Rethinking Values for Sustainable Growth". It focused on formulating an accurate concept of sustainable growth in the context of sound financial practices, highlighting the development of the financial sector under social and moral responsibility.



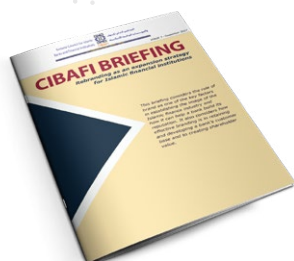
May 2017 | CIBAFI Briefing Issue 5 on "De-risking and Correspondent Banking Relationships"

This briefing considered how de-risking has affected financial institutions, attempting to understand its causes and implications on the financial industry, including on IFIs, and suggested ways to tackle it as an increasingly important area of focus.



October 2017 | CIBAFI Briefing Issue 6 on "Banca Takaful: Building Synergies and Creating Opportunities"

This briefing addressed bancatakaful as one of the important areas that requires awareness among the stakeholders of Islamic banking and Takaful industries. It reviewed its development, as well as explored its prospects, challenges and opportunities.



December 2017 | CIBAFI Briefing Issue 7 on "Rebranding as an expansion strategy for IFIs"

This briefing considered the role of branding as one of the key factors in establishing the image of the Islamic finance industry. It looked into how branding can help a bank build its reputation as well as its role in retaining and developing a bank's customer base and creating shareholder value.



July 2018 | CIBAFI Briefing Issue 8 on "Islamic Trade Finance: Back to the Roots"

This briefing looked into the role of international trade finance organisations and multilateral development banks (MDBs) in establishing an appropriate trade finance environment and their main advantages for different stakeholders. It explored challenges, opportunities and the ongoing structural changes in the Islamic trade finance market that may affect its future development.



September 2018 | CIBAFI Briefing Issue 9 on "Real Estate Exposure in Islamic Finance: Regulatory Treatment"

This briefing presented an accurate snapshot of regulatory treatments of real estate, in both investment and financing exposures. It explored key issues related to real estate, such as evaluation, categorisation and concentration, in addition to some Shariah issues.



January 2019 | CIBAFI Briefing Issue 10 on “The International Financial Reporting Standard (IFRS) 9 and its Implications on Islamic Financial Institutions (IFIs)”

This briefing presented an overview of IFRS 9 and its new requirements regarding impairment, classification and measurement of financial assets and liabilities, and hedge accounting. It evaluated the impact of IFRS 9 on Islamic banks through a short survey conducted by CIBAFI, presented the key areas affected by the implementation of the standard, and suggested key recommendations for a smoother adoption of future standards.

Islamic Financial Industry Information

On 29th February 2016, the Islamic Research and Training Institute (IRTI), a member of the Islamic Development Bank Group; and CIBAFI signed a MoU for a joint project to establish the first-of-its-kind Islamic financial industry data repository.

The online system, to be named the ‘Islamic Financial Industry Information (IFII)’, will be a public repository for comprehensive and reliable Islamic financial and non-financial data and information. IFII will comprise several integrated databases, covering all the components of the Islamic finance industry, including banking, insurance, and social finance. In the first phase, the system will be launched with a database of Islamic banking information.

IRTI and CIBAFI resolved to cooperate on this project to fill a vacuum created by the absence of timely, reliable, and comprehensive data on all aspects of Islamic finance. IFII is expected to become a vital resource for IFIs, policy makers, regulatory authorities, industry professionals, academics, scholars, and other stakeholders.



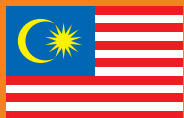
Countries Reports

According to the agreement signed between CIBAFI, Thomson Reuters, and IRTI for the issuance of periodic reports on Islamic finance in some countries, the following were issued:



Oman Country Report

CIBAFI launched its Oman Islamic Finance Report 2015 on "Building on a strong start" in February 2015. The report was issued in partnership with Meethaq Islamic Banking – Bank Muscat.



Malaysia Country Report

CIBAFI launched its Malaysia Islamic Finance Report 2015 on "Mainstreaming Islamic Finance within Global Financial Systems" in July 2015.



Sudan Country Report

CIBAFI launched its Sudan Islamic Finance Report 2016 on "Next Phase of Development" in February 2016. The report was issued with Exclusive Strategic Partner by Bank of Khartoum.



Kazakhstan Country Report

CIBAFI launched Country Report its Kazakhstan Islamic Finance Report 2016 on "A New Frontier of Islamic Finance on Kazakhstan" in December 2016. The report was published in partnership with the National Bank of Kazakhstan.



CIBAFI Newsletter – InFocus



The Secretariat issues a newsletter called "InFocus" that highlights CIBAFI's main activities and news. The first newsletter was issued in December 2014. InFocus newsletter has reached 12 issuances as of December 2018, and will continue to be issued on quarterly basis. Since its first issuance, the newsletter has always received positive feedback from both members and non-members alike.

Global Islamic Economics Magazine



مجلة شهرية علمية إلكترونية تصدر عن جامعة كاي بالتعاون مع مركز أبحاث فقه المعاملات الإسلامية
العدد / 80 / لشهر جمادى الأولى 1440 هـ الموافق كانون الثاني / يناير 2019 م



جديد المجلة: أفكار مستقاة من الأخبار الاقتصادية العالمية تصلح أفكاراً للبحث العلمي

Since 2012, CIBAFI issued articles in the monthly electronic magazine "Global Islamic Economics Magazine" in collaboration with the Islamic Business Research Center in Syria. The magazine has featured articles from experts and academics on recent and emerging issues related to Islamic finance and banking. By the end of December 2018, CIBAFI shared in the 79th and final issue of the magazine, as the MoU concluded at the end of 2018.

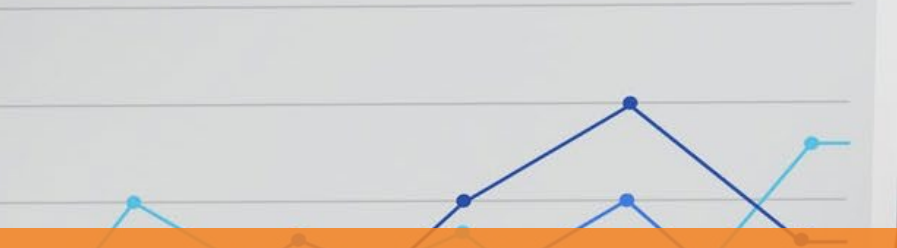


REPORT

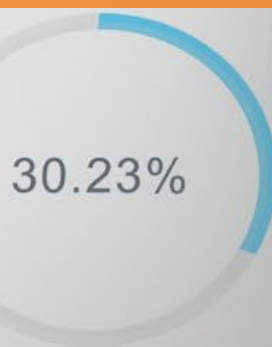
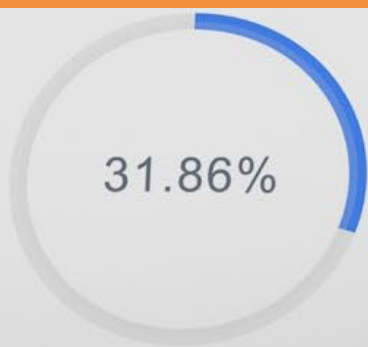
REPORT

COME

WEEKLY MONTHLY



Strategic Objective 3: Awareness and Information Sharing



LINE ITEMS	13.5 M\$
SHIPPING	0.2 M\$
TAXES	0%
TOTAL	13.7 M\$

LINE ITEMS	13.00 M\$
SHIPPING	0 \$
TAXES	0%
TOTAL	13.00 M\$

Strategic Objective 3:

Awareness and Information Sharing

This strategic objective of CIBAFI is to promote awareness of the concepts and principles of Islamic finance and industry practices, as well as the address new challenges in the fields of regulation, risk management, product design, governance, etc. It establishes a platform for effective communication, sharing of experiences and best practices, discussing issues and challenges, and promoting cooperation among those involved in the IFSI and peripheral sectors. This initiative includes the conducting of formal meetings, roundtables, group discussion conferences, and forums focusing on the relevant emerging issues within the industry. Attendees include key stakeholders from the Islamic finance industry, multilateral development institutions, international and national regulatory bodies, policy-makers, and academia.

During the period 2015 – 2018, CIBAFI conducted the following events:

- ➔ CIBAFI Global Forums
- ➔ CIBAFI – World Bank Conferences
- ➔ CIBAFI – UAB Forum
- ➔ Mediterranean Islamic Finance Forums
- ➔ Roundtable Meetings
- ➔ CIBAFI Seminars
- ➔ CIBAFI Award 2017
- ➔ CIBAFI InFocus Session
- ➔ Public Lectures
- ➔ Corporate Communication Activities

CIBAFI Global Forums



During the period 2016 – 2018, CIBAFI organised a series of Global Forums each year to discuss key emerging issues within the industry. Each Global Forum discussed a specific theme of importance to the industry as follows:

Inaugural CIBAFI Global Forum

The Secretariat organised its inaugural Global Forum with the theme, "Rethinking Values for Sustainable Growth", under the patronage of the Central Bank of Bahrain in Manama, Kingdom of Bahrain, on 3rd – 4th May 2016. The Forum was attended by more than 200 delegates from 28 countries.

Second CIBAFI Global Forum

The Secretariat organised its second Global Forum with the theme, "Essential Renovation of Banking Practices Towards Resilience and Shared Prosperity", under the patronage of the Central Bank of Jordan in Amman, Jordan, on 8th – 9th May 2017. The Forum was attended by more than 275 delegates from 30 countries.

Third CIBAFI Global Forum

CIBAFI organised its third Global Forum with the theme, "The New Face of Financial Services: Disruptions, Opportunities and the New Normals", in Istanbul, Turkey, on 2nd – 3rd May 2018. The Forum was supported by the Banking Regulation and Supervision Agency of Turkey (BRSA) and was attended by more than 350 delegates from over 37 countries.



CIBAFI – World Bank Conferences

CIBAFI and the WB have successfully organised a series of conferences during the period 2015 – 2018. The conferences endeavoured to provide a platform to discuss and share corporate governance best practices by RSAs, IFIs, relevant international institutions and key industry experts, as follows:

Inaugural CIBAFI – World Bank Conference

The inaugural joint Conference on **“Corporate Governance for Islamic Financial Institutions: Lessons from Recent Global Developments”** was held in Amman, Jordan, under the patronage of the Central Bank of Jordan, on 15th– 16th September 2015, with the attendance of nearly 200 delegates from over 22 countries.

Second CIBAFI – World Bank Conference

The second joint Conference on **“Corporate Governance of Islamic Financial Institutions: Overcoming Challenges and Implementing Best Practices”** was held in Sasana Kijang, Kuala Lumpur, Malaysia, on 2nd October 2018. The conference was organised in partnership with Bank Muamalat Malaysia Berhad and was attended by more than 200 delegates from 25 countries.





CIBAFI – UAB Forum

CIBAFI together with the UAB organised a joint Forum themed “The Developing Markets of Islamic Finance” in Tunis, Tunisia, on 28 - 29 September 2016, organized under the auspices and presence of H.E. Chedly Ayari, Governor of the Central Bank of Tunisia. The two-day programme discussed the issue of frontier markets of Islamic finance and was attended by more than 150 delegates from 21 countries.

Mediterranean Islamic Finance Forums

CIBAFI together with the ASCAME and the Chamber of Commerce of Barcelona have co-organised a series of forums at Casa Llotja de Mar in Barcelona, Spain, as follows:

1. 3rd Mediterranean Islamic Finance Forum in 27th November 2015, themed “Building Bridges”;
2. 4th Mediterranean Islamic Finance Forum in 23rd November 2017, themed “Focus on Strategies for Mediterranean & Africa”.

The Forums offered business leaders, policy makers, and regulators a platform to discuss challenges and opportunities for the Mediterranean region to tap into Islamic finance and explored the future of Islamic banking through innovation and strategic regional and international positioning.



Roundtable Meetings

CIBAFI successfully executed a number of roundtable meetings during the period 2015 – 2018, across four countries. The Roundtable Meetings gathered C-Level Senior Executives, academia, and practitioners of IFIs across various countries to discuss the importance of the IFSI on various topics as below:

- 23rd – 24th February 2015 | **“Internationalization Strategies of Islamic Financial Institutions”**, in cooperation with Islamic Development Bank, Manama, Kingdom of Bahrain.
- 9th – 10th December 2015 | **“Innovative Strategies in Islamic MSME and Value Chain Finance”**, in cooperation with the International Centre for Education in Islamic Finance (INCEIF), Kuala Lumpur, Malaysia.
- 13th – 14th March 2016 | **“Technical Capabilities to Generate Sustainable Islamic Micro, Small and Medium Enterprises (MSME) Finance”**, in collaboration with the Islamic Development Bank, Jeddah, Saudi Arabia.
- 22nd – 23rd March 2017 | **“Bringing Islamic Investment of IFIs to the Next Frontier”**, in collaboration with the IRTI, Manama, Bahrain.
- 2nd April 2017 | **“The Impact of Legal Framework on IFSI Development”**, hosted by Al Baraka Banking Group, Manama, Bahrain.



CIBAFI Seminars

CIBAFI organised two seminars in 2016 and 2017, as follows:

- CIBAFI's International Seminar on "Risk Management and Compliance in Islamic Financial Institutions: Key Trends and Market Practices", in Muscat, Sultanate of Oman on 20th – 21st January 2016. The International Seminar saw an overwhelming response from the attendees and was held in strategic partnership with Bank Muscat – Meethaq Islamic Banking and was supported by the Islamic Development Bank.
- CIBAFI Seminar on "Credit Ratings: Focus on Islamic Banks and Sukuk Ratings Methodology" in cooperation with S&P Global Ratings and under the patronage of the Central Bank of Bahrain (CBB) on 17th – 18th September 2017 in Manama, Kingdom of Bahrain. The Seminar was supported by Ithmaar Bank and the Bahrain Association of Banks.



CIBAFI Award 2017

CIBAFI BOD, in its 29th meeting approved the concept and nature of the Award and decided to launch the inaugural CIBAFI Award 2017 under the title "Environmental and Social Responsibility", on 4th June 2017, in Jeddah, Saudi Arabia. The purpose of this Award is to recognize and showcase IFIs that provide outstanding example to the industry, based on specific criteria. CIBAFI's 2017 award recipient was "Jordan Islamic Bank", an exemplar for dedicated environmental and social responsibility in Islamic banking practices. The second edition of CIBAFI Award is to be launched during 2019.

CIBAFI InFocus Session

CIBAFI organises "InFocus" Sessions at major industry events that aim to discuss and tackle emerging region-specific topics related to the Islamic financial services industry through a single session within the event's agenda. The first InFocus session was conducted in 3 December 2014 in Manama, Bahrain on "Strategic options for Islamic banks in response to Basel III standards: The practitioners' perspective". In addition, CIBAFI organised its exclusive InFocus Session themed "Prospects for Islamic Finance in the CIS Region: Focus on SME, Takaful and Sukuk", on 19th May 2017 in Kazan, Tatarstan in conjunction with Kazan Summit 2017. The session brought together an international panel of distinguished Islamic finance industry stakeholders to discuss emerging opportunities, prospects and challenges that face IFIs.



Public Lectures



CIBAFI organised four public lectures aiming to raise awareness on various topics related to Islamic finance, presenting an opportunity to engage with academia and young students. During the period 2017 – 2018, the below lectures have been conducted:

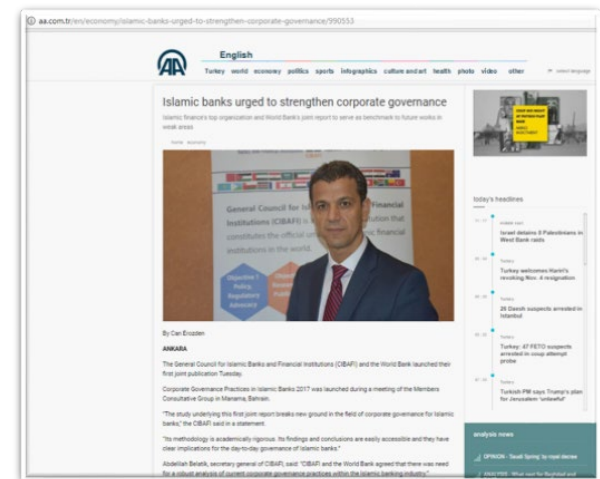
- ➔ 27th November 2017 | "Participation Finance and the Global Financial Architecture", Ifrane, Morocco.
- ➔ 6th March 2018 | "Participation Finance - The Steady Way from Niche to Mainstream", Istanbul, Turkey.
- ➔ 4th April 2018 | "UN Sustainable Development Goals and the Role of Islamic Finance", Tunis, Tunisia.
- ➔ 23rd November 2018 | "Participation Finance: The Innovation as the Engine of Sustainable Development", Casablanca, Morocco.

Corporate Communication Activities

Given the importance of corporate communication in establishing a clear communication line between CIBAFI & its members, non-members and the industry stakeholders, the Secretariat has established strong stand on corporate communication end, by building relationships with leading news agencies, locally and internationally, as well as various magazines and TV stations specialized in finance and Islamic finance news. CIBAFI Press Releases are published in the most recognized media agencies, locally and internationally including in Arabic, English, French, Russian, Indonesian, Turkish, and German languages.

It is worth mentioning that the Secretariat has been working with a solid communication plan for each of its projects/events that involves press release coverages and other media activities. The Secretariat is also working continuously to enhance communication with members, inviting them to participate in the activities of CIBAFI through formal invitation letters sent before the event.

In a similar context, the Secretariat has been active on social media to spread the awareness of activities and spark involvement from followers who are interested in CIBAFI's and the industry's latest news.





Strategic Objective 4: **Professional Development**

Strategic Objective 4:

Professional Development

Human resources development is a prerequisite for the development of the IFSI worldwide. With the rapid growth of the industry, there is a continuous need to develop human resources, not only to provide high quality services to clients but also to adhere to the professional ethics, this being for various categories ranging from board members and senior shareholders to executive and administrative staff, mid-level staff and the general public. CIBAFI's professional development objective caters to this essential need through the conducting of executive programmes, technical workshops, and professional certificates.



CIBAFI - Ivey Business School Executive Programmes

In response to the desire of CIBAFI members and stakeholders, CIBAFI conducted a series of Executive Programmes during the period 2015 – 2018 in Manama, Bahrain, together with Ivey Business School of Western University in Canada. These programmes are designed for senior management and board members in IFIs who strive to deliver a world-class and highly interactive learning experience in the domains of strategic thinking, corporate entrepreneurship, leadership development and Innovation in face of organisational change.

During the above-stated period, the following programmes were conducted:

- ➔ 19th – 20th August 2015 | Strategy and Leadership for Islamic Financial Institutions
- ➔ 22nd – 23rd November 2016 | Ambidextrous Leadership and Disruptive Strategy

- ➔ 7th – 8th November 2017 | Strategic Thinking, Innovation and Corporate Entrepreneurship and Change Leadership
- ➔ 13th – 14th November 2018 | Strategic Thinking, FinTech Innovation, Founder's Mentality, and Leading Digitalization

The programmes included discussions on strategic issues in the Islamic finance industry where practical experiences were presented to refine the participants' strategic analysis skills, develop strategies and implementation plans and identify how to successfully build a strategic mindset and unified formulation of strategies and objectives. The programmes also allowed discussion and exchange of professional experiences on the issues of governance and ethics of work that contribute to the development of IFIs.



CIBAFI – Ivey Business School Inaugural In-House Executive Programme for Bank of Khartoum

CIBAFI, together with Ivey Business School, organised their first In-house Executive Programme for Bank of Khartoum on “Exponential Strategy and Leadership” during the period 7 – 9 May 2018 in Khartoum, Sudan. The programme used Ivey’s high engagement learning pedagogy, with the help of cases and current materials that link best practices to their effective implementation. It focused on identifying and understanding the interaction between the disruptive forces caused by

environmental changes and on developing effective leadership capabilities and strategies to manage high performing organisations. It also discussed the sources and types of critical leadership and strategy-making capabilities for effective decision-making.

CIBAFI is pleased to continue its successful collaboration with Ivey Business School in the conducting of joint executive programmes.



CIBAFI - IIF Executive Programme on Islamic Finance: Global Developments and Strategic Insights

CIBAFI launched its Executive Programme on 29th and 30th of September 2015 on “Global Developments and Strategic Insights”, in collaboration with the Institute of International Finance (IIF), the leading global association of financial institutions in Manama, Kingdom of Bahrain. The specialized programme has been specifically designed for Board members and C – suite executives

in the IFSI providing a strategic perspective on the key issues facing the Islamic Finance sector and have featured a diverse array of industry experts who have shared their insights and thought leadership on creative approaches and innovative strategies to industry challenges.



Technical Workshops

CIBAFI successfully organised fourteen Technical Workshops during 2015 – 2018, among eleven countries. These workshops provided participants with skills and knowledge that enable them to operate in the Islamic banking sector and discussed various topics including Islamic Banking, Liquidity Risk Management, Products Development and Financial Engineering, Stress Testing, Liquidity Management Tools for IFIs. The workshops were attended by more than 615 participants from over 35 jurisdictions.

The workshops also provided participants with the opportunity to open the horizons for dialogue and exchange of professional experiences, focusing on theoretical and practical case studies and technical techniques in the work environment, thus enhancing their professional performance.

During the above-stated period, the following Technical Workshops were conducted:

- ➔ 9th – 13th February 2015 | “Certified Islamic Banker (CIB)”, with support from the Islamic Development Bank and hosted by the National Bank of Kazakhstan in Almaty, Kazakhstan.
- ➔ 10th – 12th March 2015 | “Islamic Banking”, hosted by the Saudi Arabian Monetary Agency in Riyadh, Saudi Arabia
- ➔ 9th – 10th June 2015 | “Liquidity Risk Management” in Manama, Bahrain.
- ➔ 17th – 19th November 2015 | “Products Development for IFIs”, hosted by the Emirates Securities and Commodities Authority (SCA) in Dubai, United Arab Emirates.
- ➔ 30th August – 1st September 2016 | “Products Development for IFIs” in Manama, Bahrain.
- ➔ 18th – 20th October 2016 | “Products Development for IFIs”, hosted by the Saudi Arabian Monetary Agency in Jeddah, Saudi Arabia.
- ➔ 6th – 8th December 2016 | “Products Development for IFIs”, hosted by the Central Bank of Sudan in Khartoum, Sudan.
- ➔ 24th – 26th January 2017 | “Products Development & Financial Engineering for IFIs”, hosted by the Central Bank of Mauritania and supported by IRTI of the Islamic Development Bank Group in Nouakchott, Mauritania.
- ➔ 26th – 28th April 2017 | “Governance, Risk and Compliance for IFIs”, hosted by Kenya School of Monetary Studies (KSMS) of the Central Bank of Kenya in Nairobi, Kenya.



- 22nd – 23rd November 2017 | “Products Development & Financial Engineering for IFIs”, in cooperation with ASCAME and the Chamber of Commerce of Barcelona in Barcelona, Spain.
- 8th – 10th January 2018 | “Stress Testing for IFIs”, hosted by the Central Bank of Sudan, Khartoum, Sudan.
- 21st – 22nd March 2018 | “Liquidity Management Tools for IFIs”, hosted by Islami Bank Bangladesh Ltd in Dhaka, Bangladesh.
- 4th – 6th April 2018 | “Products Development & Financial Engineering for IFIs”, hosted by the Central Bank of Tunisia in Tunis, Tunisia.
- 17th – 19th September 2018 | “Products Development & Financial Engineering for IFIs”, hosted by the Central Bank of Jordan in Amman, Jordan.



Trainings of Trainers

CIBAFI conducted a series of Trainings of Trainers (ToT) programmes during the period 2015 - 2018 in Manama, Bahrain. These programmes are considered as one of the very fundamentally important programmes to enhance the skills of trainers through the usage of modern mechanisms, contributing to the improvement of their performance.

These programmes discussed the most important methods of strategic planning for effective training, learning patterns and how to create an integrated training content based on the analysis of training needs, and the most important strategies for evaluating training processes.



Accreditation Board

The Accreditation Board was established by a decision of the BOD. It is an independent body with a premier objective of facilitating and guiding certified CIBAFI programmes operations and accreditation. This includes the accreditation of programme trainers and training materials. The Secretariat is responsible in arranging and coordinating for the meetings of the Board as well as the implementation of the resolutions of the Board.

The Accreditation Board consists of six members, five of whom have permanent membership, and one member only has renewable membership every three years. They are represented by the following institutions:

- ➔ International Islamic Fiqh Academy, Saudi Arabia
- ➔ Islamic Research and Training Institute (IRTI), Saudi Arabia
- ➔ Islamic Economics Institute – King Abdulaziz University, Saudi Arabia
- ➔ Saleh Kamel Center for Islamic Economics, Al – Azhar University, Egypt
- ➔ International Shari'ah Research Academy for Islamic Finance (ISRA), Malaysia
- ➔ Institute of Banking Studies, Jordan



Meetings of the Accreditation Board



The Secretariat held six (6) meetings of the Accreditation Board during the period 2015 – 2018. The meetings discussed various agenda items, including the development and approval of all training materials in order to achieve the highest quality of professional development for the enhancement of human capital to serve the Islamic financial industry and to be in line with the international standards and specifically with the Islamic finance.

CIBAFI accredited 70 trainers from different countries to ensure the provision of specialized trainers with extensive experience to provide general professional certificates to serve the Islamic banking business and to qualify specialized human cadres to work in this industry

During the above-stated period, the Accreditation Board has approved the below trainings material:

- Certified Islamic Banker
- Certified Islamic Specialist in Capital markets
- Certified Islamic Specialist in Trade Finance
- Certified Islamic Specialist in Takaful
- Certified Islamic Specialist in Sharia Auditing
- Certified Islamic Specialist in Governance and Compliance
- Certified Islamic Specialist in Risk Management
- Certified Islamic Specialist in Advanced Sharia Auditing



Accreditation of CIBAFI Professional Certificates by the National Association of State Boards of Accountancy

In line with its goal to enhance human capacity in the IFSI, CIBAFI professional certificates has been accredited by the NASBA therefore allowing all its training programmes to be eligible for the CPE credits which are required by a number of specialists in different areas. Through this, CIBAFI affirms its commitment to the delivery of high quality continuing professional education in compliance with the Statement of Standards for Continuing Professional Education (CPE) Programs and the program requirements of the National Registry of CPE Sponsors

CIBAFI Professional Development Training Programmes

During the period 2015 – 2018, CIBAFI conducted various programmes in more than 32 countries via our global network of more than 30 professional development agents. The Executive Professional Master's Programme and the Certified Islamic Banker's Certificate recorded the highest number of applications during the period followed by the remaining professional certificates.

During the period 2009 – 2018, the number of trainees benefiting from CIBAFI certificates were as follows:

Name of Certificate	Number of Trainees
Certified Islamic Banker	6492
Executive Professional Masters in Islamic Finance	982
Certified Islamic Specialist in Sharia Auditing	303
Certified Islamic Specialist in Accounting	262
Certified Islamic Specialist in Takaful	174
Certified Islamic Specialist in Capital Market	125
Certified Islamic Specialist in Trade Finance	89
Professional Advanced Diploma in Islamic Finance	78
Certified Islamic Specialist in Risk Management	75
Certified Islamic Specialist in Governance & Compliance	73
Certified Islamic Bank Manager	72
Certified Islamic Specialist in Risk Management	46
Professional Diploma in Sharia Auditing	38
Certified Islamic Specialist in Advanced Sharia Auditing	17
The Professional Diploma in Accounting	3
The Professional Diploma in Risks Management	3
The Professional Diploma in Takaful Insurance	2
Total number of Trainees	8788



In-House Training Programmes

With rapid global growth of the IFSI, CIBAFI has continued conducting In-House training programmes for Islamic banks, financial institutions and universities alike to support professionals, advance their knowledge, skills, and competencies, and help them progress in their careers.

During the period 2015 – 2018, CIBAFI conducted its In-House training programmes in the following institutions:

1. Certified Islamic Banker Programme

- ➔ Bank of Khartoum – Sudan | 1,770 employees
- ➔ Arab Islamic Bank – Jordan | 364 employees
- ➔ Islamic Development Bank – Saudi Arabia | 166 employees
- ➔ Ahli United Bank – Kuwait | 92 employees
- ➔ Dar Al-Hekma University – Bahrain | 24 students

2. Certified Islamic Specialist in Accounting Programme

- ➔ Bank of Khartoum – Sudan | 20 employees



CIBAFI's professional development agents also conducted several In-House trainings as follows:

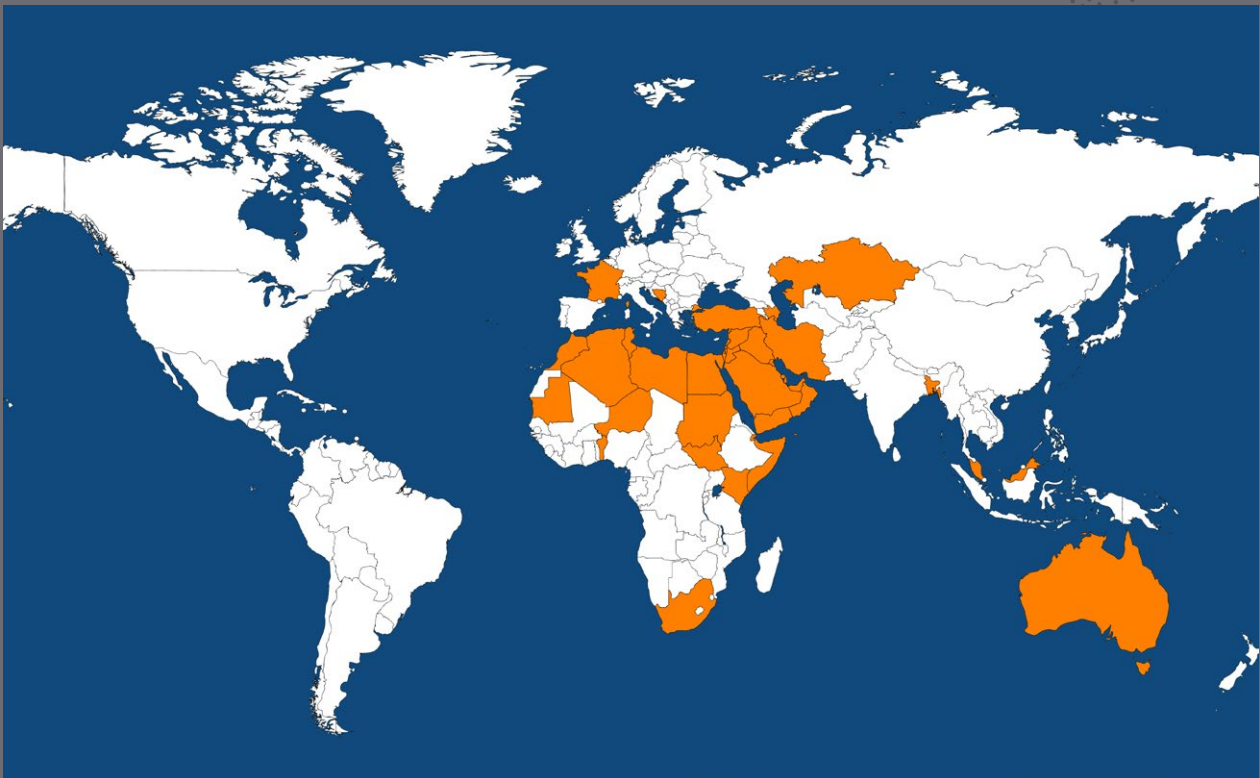
1. Kapital Transak "Financité" - Certified Islamic Banker Programme for 80 employees from Umnia Bank and 38 employees from Al Yousr Bank in Morocco.
2. Tala'e Arriyadah for Training and Consultancy - Certified Islamic Banker Programme for 88 employees from Al Nile Bank for Commerce and Development from Sudan and 115 employees from Alinma Bank from Saudi Arabia
3. OSOOL for Training and Consulting - Executive Professional Master in Islamic Finance for 59 employees from Faisal Islamic Bank Sudan and the Certified Islamic Specialist in Takaful Programme for 11 employees.



CIBAFI's Memberships

Membership Coverage

CIBAFI has over 125 members spread across more than 34 jurisdictions in the Middle East, Africa, and Europe, as well as South and Central Asia. Its membership includes IFIs, multilateral banks, international standard setting organisations and other professional services firms. CIBAFI is focused on expanding the membership base, both geographically and by sector.



Membership Benefits

CIBAFI membership allows members to benefit from various forms through CIBAFI's activities. The members have the opportunity to voice their concerns to international standard-setting bodies through CIBAFI's advocacy role as well as to participate in key events related to the Islamic financial industry such as conferences, roundtable meetings and engaging in closed dialogues with the participation of Islamic

banking leaders, decision makers, and standard setters. The membership allows members to open the horizons of research and consultation on the latest developments in the industry, as well as gaining access to CIBAFI's database and publications. Members also benefit from complimentary seats to CIBAFI's events and special discounts for the professional development programmes.

CIBAFI Strategic Sessions

CIBAFI organised eleven (11) Strategic Sessions during the period 2015 – 2018 in different countries for its members and stakeholders. These sessions served as a platform to update on CIBAFI's activities as well as to discuss CIBAFI's preparations for its new Strategic Plan 2019–2022 and open discussion on the industry developments and challenges which banks face and how to support them practically.

During the above-stated period, the following sessions were conducted:



- ➔ 7th May 2015 | "Strategic Plan 2015–2018 Discussion", in cooperation with Banque al Wava Mauritanienne Islamique, Nouakchott, Mauritania.
- ➔ 8th December 2016 | Members' Strategic Session, hosted by Sudan Banks Union in Khartoum, Sudan.
- ➔ 25th January 2017 | Members' Strategic Session, hosted by Banque Al Wava Mauritanienne Islamique in Nouakchott, Mauritania.
- ➔ 25th April 2017 | Members' Strategic Session, hosted by Aqeel Consulting Limited in Nairobi, Kenya.
- ➔ 4th June 2017 | Member's Strategic Session in Jeddah, Saudi Arabia.
- ➔ 4th June 2017 | Professional Development Agents Strategic Session in Jeddah, Saudi Arabia.
- ➔ 8th September 2017 | Members' Strategic Session, hosted by Bank Muamalat Malaysia Berhad and the Association of Islamic Banking Institutions Malaysia in Kuala Lumpur, Malaysia.
- ➔ 8th January 2018 | Members' Strategic Session, hosted by Sudan Banks Union in Khartoum, Sudan.
- ➔ 26th March 2018 | Strategic Session led by Iraqi Private Banks League, with Islamic banks from Iraq in Manama, Bahrain.
- ➔ 5th April 2018 | Members' Strategic Session, hosted by Bank Zitouna in Tunis, Tunisia.
- ➔ 27th November 2018 | A special strategic session with senior representatives from Islamic Banks and Financial Institutions from Djibouti, Somalia, and Sudan in Manama, Bahrain.

Official Work Visit to the Central Banks and Regulators

CIBAFI Secretariat conducted several official work visits to the Central Banks, regulators and some other leading institutions around the world. The visits were aimed to create awareness about the Islamic finance industry and to explore means of collaboration and how CIBAFI can support Islamic banks and financial institutions. During the visits, the banks expressed their interest to collaborate and support CIBAFI initiatives.



2015 – 2018 At A Glance



Strategic Objective 1: Policy, Regulatory Advocacy

→ Members Consultative Group Meeting	6
→ CIBAFI Comments to the Financial Stability Board on the Effect of the Decline of Correspondent Banking Relationships	1
→ CIBAFI Comments to the Basel Committee on Banking Supervision	5
→ CIBAFI Comments to the Islamic Financial Services Board	4
→ CIBAFI Comments to the Accounting and Auditing Organisation for Islamic Financial Institutions	8
→ CIBAFI's Voice in the International Arena	1
→ CIBAFI Signs a Memorandum of Understanding with the World Bank	1
→ CIBAFI's Recommendation to the Organization of Islamic Cooperation	1

Strategic Objective 2: Research and Publications

→ Global Islamic Bankers' Survey	3
→ CIBAFI Global Takaful Survey 2018	1
→ CIBAFI & World Bank Report	1
→ CIBAFI's Briefings	9
→ Countries Reports	4
→ CIBAFI Newsletter – InFocus	12
→ Global Islamic Economics Magazine	79

Strategic Objectives 3: Awareness & Information Sharing

→ CIBAFI Global Forums	3
→ CIBAFI – World Bank Conferences	2
→ CIBAFI – UAB Forum	1
→ Mediterranean Islamic Finance Forums	2
→ Roundtable Meetings	5
→ CIBAFI Seminars	2
→ CIBAFI Award 2017	1
→ CIBAFI InFocus Session	1
→ Public Lectures	4
→ Delegates participated in CIBAFI awareness	2168
→ International experts spoke at CIBAFI awareness programmes	295

Strategic Objective 4: Professional Development

→ CIBAFI – Ivey Business School Inaugural In-House Executive Programme for Bank of Khartoum	1
→ CIBAFI – Ivey Business School Executive Programme	4
→ CIBAFI – IIF Executive Programmes	1
→ Technical Workshops	14
→ Trainings of Trainers	2
→ Meetings of the Accreditation Board	6
→ Staff of Islamic Banks took part in Technical Workshops	608
→ Delegates attended C – Suit level Executive Programme	95
→ Professional Certified with CIBAFI Professional Certification	4357



General Council for Islamic
Banks and Financial Institutions



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