

## PROGRAMME

# IFSB- DFSA Joint Seminar: Liquidity Generating Innovations in Islamic Finance: The Role of Sukuk and Securitisation to Support New Financial Regulations

30 April 2017

Salon 8, The Ritz Carlton, Dubai International Financial Centre, DIFC, Off Sheik Zayed Road  
Dubai, United Arab Emirates

Organised By:



# IFSB- DFSA Joint Seminar: Liquidity Generating Innovations in Islamic Finance: The Role of Sukuk and Securitisation to Support New Financial Regulations

30 April 2017

Salon 8, The Ritz Carlton, Dubai International Financial Centre, DIFC, Off Sheik Zayed Road, Dubai, United Arab Emirates

Organised By: Islamic Financial Services Board  
Dubai Financial Services Authority (DFSA)

Day	Date / Time	Topics
Day 1	30 April 2017	
Sunday	08:30 - 09:30	<b>Registration</b>
	09:30 - 09:45	<b>Welcoming Remarks</b>
		<b>Session 1: Panel Discussion: The Role of Shariah- Compliant Instruments in the Islamic Capital Market</b>
	09:45 - 10:50	<ul style="list-style-type: none"> <li>Liquidity risk management remains one of the most challenging issues within the IFSI as Shariah principles render most of the conventional capital and money market instruments and borrowing windows/ facilities as not compliant. This is at a time when revised Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) liquidity requirements under both Basel III &amp; IFSB GN-6 are gradually being put into effect. There is a significant lack of Shariah- compliant high- quality- liquid- assets (HQLA) that meet LCR requirements and, in the past, many Islamic banks are known to have relied primarily on cash and central bank placements as their main liquidity management tools. Shariah- compliant profit- generating tradable instruments are also widely in demand for liquidity management purposes by other Islamic financial institutions, for instance, in the Takaful and the Islamic asset management industries. Given this, how can existing instruments in the Islamic capital market support liquidity management in the IFSI? What are the issues involving the use of commodity murabaha for managing liquidity? Is there a need to develop new ICM instruments based on other commodities such as crude oil? What efforts can be made by various bodies (e.g. regulatory authorities, multilateral organisations, capital market players, exchanges/ bourses) to support liquidity management in the IFSI? What are the opportunities available in the ICM to address this gap in the market?</li> </ul>
	10:50 - 11:10	<b>Networking Break</b>
11:10 - 12:15	<b>Session 2: Panel Discussion: Securitisation of Islamic Assets</b> <ul style="list-style-type: none"> <li>Amid a period of liquidity pressures in key IFSI jurisdictions, influenced by prolonged low energy prices and fiscal tightening, an option for Islamic financial institutions with long- term non- tradable assets is to explore securitisation. The global financial crisis tarnished the image of securitisation, to some extent, but building on the lessons learned from the crisis, Shariah- compliant structures could enable Islamic banks to more easily meet revised capital and liquidity regulations. For instance, structures could enable an efficient offloading of non- tradable assets from their balance sheets to improve capital ratios; monetise previously illiquid assets to enhance liquidity; and facilitate raising of cheaper funding at an asset level as opposed to the bank level. The key challenge is in structuring an Islamic financial securitised instrument that meets Shariah requirements and avoids the problems that contributed towards the crisis.</li> </ul>	
12:30 - 13:30	<b>Networking Lunch</b>	

End of Event

Disclaimer: Please be advised that the above mentioned agenda points are tentative and that the IFSB reserves the right to make any necessary amendments/ changes to the programme without prior notification.