

PROGRAMME

14th IFSB Summit - Islamic Finance for Sustainable Development in the Era of Technological Innovations

12 November 2019 - 14 November 2019

Jakarta Convention Center, Jakarta, Indonesia
Jakarta, Indonesia

Organised By:



Hosted By:

14th IFSB Summit - Islamic Finance for Sustainable Development in the Era of Technological Innovations

12 - 14 November 2019

Jakarta Convention Center, Jakarta, Indonesia, Jakarta,
Indonesia

Organised By: Islamic Financial Services
Board

Hosted By: Bank Indonesia

Day	Date / Time	Topics
Day 1	12 November 2019	
Tuesday	08:30 - 16:30	IFSB Summit Exhibition
	08:30 - 09:00	Welcome Coffee
	09:00 - 11:00	1st IFSB Innovation Forum <i>The inaugural IFSB innovation forum sets the stage to enable the most creative minds in the Islamic financial services industry to showcase their pre-developed or conceptualised products, instruments, services, mobile applications and other offerings which exhibit an element of innovation and forward-looking creativity. This Forum, which is expected to feature as a regular annual series, is an effort by the IFSB to bring together the Islamic finance stakeholders to focus on the promotion and development of innovative Islamic finance solutions, vital to create the competitive edge needed to sustain the Islamic financial services industry going forward. The inaugural Forum will showcase products including, among others, (1) Sukuk based on Blockchain Technology (2) Islamic SME and Real Estate Financing through Web-based Crowdfunding Platform (3) Islamic Social Finance and its models to enhance financial Inclusion, and also (4) Islamic Robo-Advisors and their contributions to Wealth Management</i> Moderator: Dr. Salma Abbasi, eWorldwide Group <u>Panellists:</u> <ul style="list-style-type: none">• Matthew Martin, Blossom Finance• Han Guangyu (Abdullah) HLC Foundation & Technologies• Dr Yahia Abdul Rahman- Lariba Banking Group / Lariba Bank of Whittier (American Finance House)• Adissadikin Ali, RHB Islamic Bank• Joann Enriquez, IAP Integrated Sdn Bhd• Hussam Sultan, Head of Group Islamic

11:00 - 11:30	Coffee Break and Networking
13:00 - 14:00	Lunch and Networking
13:00 - 16:30	IFSB Summit Pre-registration

Day 2	13 November 2019
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Wednesday	08:30 - 17:30	IFSB Summit Exhibition
	11:00 - 13:00	Registration
	13:00 - 14:00	Plenary Session
	14:00 - 14:30	Coffee Break and Networking
	14:30 - 16:00	Session 1: Leveraging Islamic Finance To Enhance Socio-Economic Inclusion And Sustainable Development

Sustainable development is typically classified into three broad dimensions - economic, environmental and social sustainability. Inherent within the principles of Islamic finance are the concepts of socio-economic inclusion, welfare and social justice and an emphasis on financing being closely linked with the real economy, among others. These inherent characteristics represent the potential of Islamic finance to play a greater role in enabling the effective resource mobilisation needed to achieve economic and environmental sustainability, enhance accessibility to financing, and utilise social welfare tools for more inclusive financing. The session aims to discuss on how Islamic finance can create greater impact across these dimensions through inclusive and responsible financing, and to identify the issues that need to be addressed by regulators, standard setters and international organisations in achieving these objectives. Among the discussions points are: Enhancing the enabling environment to cultivate inclusive growth of the IFSI and developing an ecosystem for responsible financing Identifying the issues and challenges in mobilising Islamic finance to promote social, economic and environmental sustainability Exploring the regulatory considerations in facilitating and promoting sustainability-based initiatives in the IFSI Addressing the barriers to further integration of Islamic finance with socio-economic inclusion and other sustainability objectives

16:00 - 17:30	Session 2: Mainstreaming Islamic Finance Through Technology: Building A Robust Regulatory Eco-System
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In the fast-paced changing regulatory environment, policy makers face continuous pressure to develop strong regulations and support a robust eco-system. Technological innovation is one of the key emerging

challenges for regulators and supervisors in the financial sector. While embracing financial technology is important, it should not compromise the safety and stability of the financial system. As the finance industry is exploring the emerging risks in the technological innovation space, unique risks specific to Islamic finance may also emerge. A myriad of Shari'ah-related issues deriving from rules and principles, compliance, governance, requisite talent scarcity, and cross-border jurisdictions may be amongst the challenges faced by regulators and supervisors. This session aims to discuss key issues and impediments that merit regulators and international standard setters attention in technology adoption regulatory space with due regard to unique risks arising from Shari'ah-related issues. This platform allows lessons drawn from regulatory and supervisory experiences which may promulgate the industry best practices. Among the discussions points are: Developing prudential regulations for the digital transformation of Islamic finance institutions operating in a more dynamic financial ecosystem and the various approaches taken by regulators (e.g. regulatory sandbox, innovation accelerators, innovation hubs) Identifying the issues faced (e.g. cyber risk, money laundering, Shari'ah-neutrality, Shari'ah governance) by regulators in developing prudential regulation and supervision system (e.g. Regtech, Suptech) in embracing technology adoption without compromising safety and stability of Islamic financial system Harmonising regulatory and supervisory approaches in addressing cross-border issues to create a coherent and supportive regulatory framework within the competitive environment Bridging the gap of talent scarcity for regulators and supervisors with new and diverse skills that require more diversified and technology savvy coupled with Shari'ah expertise in Islamic economics/ finance

19:30 - 22:00

14th IFSB Summit Gala Dinner hosted by Financial Services Authority Indonesia (OJK) - Hotel Mulia Senayan

Day 3	14 November 2019	
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Thursday

08:30 - 09:00

Welcome Coffee and Networking

08:30 - 15:30

IFSB Summit Exhibition

09:00 - 10:15

Session 3: Broadening Access And Resilience In Digital Islamic Finance: Opportunities And Challenges

Notwithstanding the inherent value proposition that Islamic finance offers, it still represents a marginal share of the global financial system. Broadening access to Islamic finance therefore is imperative for improving financial inclusion especially towards enhancing socio-economic development within the

tenets of the Shari'ah. The role of the Islamic market players in this regard is essential. This is especially in relation to offering innovative Islamic finance products and services in a manner that leverages on technological advancement without infringing on the value-based intermediation essentials of Islamic finance. This session expects stimulating discussion among market players aims to elicit practical perspectives and experiences on how to broaden access to digital Islamic finance. Specifically, it is expected that the session would provide insights into both extant and emerging operational impediments to broadening access to digital Islamic finance and how the panel members have been able to navigate through the operational challenges of evolving technology, competition, regulatory requirements and Shari'ah compliance. The panel is also expected to highlight possible opportunities and strategies to unlocking the potentials of the various Islamic social finance platforms especially via technology. This is in addition to providing insights into how the market players are keying into various efforts on identity inclusion as a basis to promoting financial inclusion and strengthening AML/CFT and cyber-risk resilience practices in Islamic finance. Among the discussions points are: Broadening the outreach, sustainability and impact of Islamic social finance via technology Unlocking the potential of Islamic finance towards enhancing acquisitions of sustainable livelihood assets Facilitating identity inclusion towards broadening financial inclusion and strengthening AML/CFT practices Identifying and mitigating the implication of the peculiar digital Islamic finance risks for the resilience and stability of the IFSI Rethinking the Shari'ah and Technology nexus in delivering digital Islamic financial services Reassessing the operational challenges and opportunities of Islamic finance regulatory sandboxes Proposing the key components for delivering value-driven digital Islamic finance

10:15 - 10:30

Coffee Break and Networking

10:30 - 11:45

Session 4: Emerging Technology And Innovation In Islamic Finance: Opportunities And Risks

The adoption of innovative technologies and business models is a prominent emerging trend that is fast changing the ecosystem of the financial services industry. However, alongside the potential opportunities and benefits for the IFSI, standard-setters and regulators need to be cognisant of the potential new risks. Thus, developing a fit-for-purpose regulatory and supervisory regime is imperative, notwithstanding the formidable challenge it presents in balancing the objectives of facilitating innovation while ensuring effective risk management and financial stability. The session aims to discuss the emerging trends and new developments in

technological innovation in the IFSI, their benefits and potential risks. It also aims to highlight the opportunities and current gaps that need to be addressed in order to provide a supportive and competitive environment for the adoption of innovative technology in the IFSI whilst preserving financial stability. Among the discussions points are: The emerging trends in technological innovation in the Islamic finance sphere The legal, Shari'ah, regulatory and supervisory considerations in the wider adoption of innovative instruments in the IFSI Islamic finance, crowdfunding and digital services: the experience thus far, emerging issues and potential risks (e.g. cybersecurity, etc.) Machine learning and artificial intelligence in Islamic financial services - key considerations (e.g. Robo advisors and shari'ah compliance) Blockchain, smart contracts and Sukuk: the opportunities and key considerations Challenges in implementing innovative instruments and the regulatory role in providing facilitative platforms for innovation

11:45 - 12:45

RFI Foundation Report Launch

This session features the launch of a report by the RFI Foundation featuring the report lead author, Tan Sri Dr. Zeti Akhtar Aziz presenting the principal conclusions of the report. Following the presentation, panelists will discuss how ethical finance and Islamic finance, both responsible forms of finance with strong commonalities, can help transform the role of finance in society. The session objective is to outline ways in which institutions utilizing these forms of responsible finance can play a more constructive role in supporting growth and development and in providing solutions to some of the challenges confronting the global economy.

Moderator: Blake Goud, *Chief Executive Officer, Responsible Finance & Investment (RFI) Foundation*

Panelist:

- Dr. Zeti Akhtar Aziz, *Recipient of the Royal Award for Islamic Finance 2018. Former Governor of Bank Negara Malaysi*

12:45 - 14:00

Lunch

14:00 - 15:30

Session 5: The Way Forward For Islamic Finance

The Islamic finance industry is playing a pivotal role in the wider global economy, with assets in excess of \$2.19 trillion, projected to reach \$3.8 trillion by 2022. Notwithstanding with the challenges facing the global finance industry, the outlook for the Islamic finance remains strong. Islamic finance is seen increasingly as a pillar for economic diversification and growth by

number of governments, particularly in addressing the challenges of financial inclusion, Small and Medium Enterprises funding and international trade. As a niche yet flourishing industry, Islamic finance is consistently expanding its outreach within the global landscape. The Islamic finance industry is gradually shifting gears toward embedding sustainability into its core business model. As more IIFS embrace responsible finance, more technology-based solutions are likely to surface. While contemplating the forces of today's challenges, coupled by determination to change for tomorrow, international standard setters and regulators should leave no stone unturned to be equipped for the evolving financial landscape. This session aims to discuss the strategic policy agenda to set the tone in shaping the future landscape of sustainable and inclusive Islamic finance anchored on technological innovations. Among the discussion points are: Enhancing the regulatory environment and removing the impediments to enable Islamic finance to thrive in the changing landscape Addressing policy issues to create an Islamic financial system that is more responsive to the real economy Facilitating collaborative efforts between policy makers, regulators and other stakeholders to achieve the development objectives of Islamic finance Developing the requisite financial and technological infrastructure to achieve the ecosystem necessary to propel Islamic finance into the new frontier of technology-enabled, value-driven, sustainable and inclusive finance Meeting the capacity-building needs for the Islamic finance industry to move into the next phase of its development

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.