

# The IFSB bulletin

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ISLAMIC FINANCIAL SERVICES BOARD

## Welcome Message from the Secretary-General

It is not too late to wish everyone a Happy New Year 2015. Here, at the IFSB Secretariat, we concluded 2014 with the 25<sup>th</sup> Meeting of the IFSB Council and 10<sup>th</sup> Islamic Financial Stability Forum on 11 December, and are currently in the midst of preparing for the upcoming IFSB Annual Meetings and Side Events 2015 which will be held from 31 March – 2 April 2015 in Jakarta, Indonesia, hosted by Bank Indonesia. I would like to take this opportunity to thank His Excellency Yusof Abd Rahman, Managing Director, Autoriti Monetari Brunei Darussalam for helming the Chairmanship of the IFSB for the year 2014. We deeply appreciate Your Excellency's and AMBD's support and guidance towards the IFSB work and activities. I would also like to welcome the Chairman for 2015, His Excellency Agus D.W. Martowardojo, Governor of Bank Indonesia (see page 3), and look forward to working with our colleagues at Bank Indonesia,

as well as our Full Member, Indonesian Financial Services Agency, in the coming year.

A recap of the last few months of 2014: The year saw the IFSB collaboration with the Financial Stability Institute (FSI) in organising the IFSB-FSI Seminar on Liquidity Risk in Islamic and Conventional Banks, hosted by Qatar Central Bank on 28 and 29 October 2014. The IFSB continued its work on standards development by issuing Exposure Drafts on Core Principles for Islamic Finance Regulation (ED-17), and Guidance Note for Liquidity Risk Management (GN-6). We introduced two new activities. First, the Meet the Members & Industry Engagement Session in Dubai, U.A.E. on 28 September 2014, which is a platform for interaction and information sharing on the work and activities of the IFSB, with both member and non-member organisations of key jurisdictions within the IFSB membership. Secondly, we introduced the IFSB-BIBF Islamic Finance Executive Programme in October 2015, a joint cooperation with our strategic partner, the Bahrain Institute of Banking

and Finance.

What's in the line-up for 2015: The IFSB will be organising the Facilitating Implementation of the IFSB Standards (FIS) Workshops in Khartoum, Sudan and Cairo, Egypt scheduled to be held in February and March 2015 respectively. We are looking forward to welcoming our members to Almaty, Kazakhstan for the upcoming 12<sup>th</sup> IFSB Summit from 19 - 21 May 2015, hosted by the National Bank of Kazakhstan. We are also in the final stages of launching an Arabic version of the IFSB website ([www.ifsb.org](http://www.ifsb.org)), in our aim to reach out more effectively to our Arabic members and the industry stakeholders.

Do visit the IFSB website to see the details of all these activities, and mark them in your 2015 Calendar. I look forward to more engagement with our members in the coming year.

Jaseem Ahmed

## 25<sup>th</sup> Meeting of the IFSB Council 11 December 2014, Kuala Lumpur, Malaysia



Front L to R : Jaseem Ahmed, H.E. Jacqueline Loh, H.E. Rasheed Mohammed Al Maraj, H.E. Sheikh Abdulla Saoud Al-Thani, H.E. Dr. Fahad Al Mubarak, H.E. Yusof Abd Rahman, H.E. Dr. Ahmad Mohamed Ali Al-Madani, H.E. Dr. Zeti Akhtar Aziz, Dr. Darsono, H.E. Mubarak Rashed Al Mansoori, H.E. Ashraf Mahmood Wathra, H.E. Dr. Ziad Fariz, D. Ahmet Akinci  
Back L to R : Ian Johnston, Dr. Yakubu Umar, H.E. Dr. Muliaman Dharmansyah Hadad, Abdulmohsen H. Al-Mazidi, Fola Daniel, H.E. Murat Cetinkaya, Dr. Badreldin Ahmed, Abdullah Al-Mehri, S.M. Moniruzzaman, Dato' Dr. Nik Ramlah Mahmood

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## IFSB-BIBF Islamic Finance Executive Programme (IFEP)

The IFSB and the Bahrain Institute of Banking and Finance (BIBF) jointly organised the debut of the IFSB-BIBF Islamic Finance Executive Programme (IFEP) series, themed, "Building Robust Risk Management Infrastructure: Growth Driver for Islamic Finance," on 15 – 16 October 2014 in Manama, Bahrain.

This inaugural IFEP saw senior industry practitioners, regulators and academics share their thoughts on the management of a wide array of risks inherent in Islamic banking institutions. During the two-day Executive Programme, participants received a high level view on risk governance and Enterprise Risk Management as well as discussed the latest developments in the management of the unique aspects of risks faced by Islamic banks, such as *Shari'ah* non-compliance, credit and liquidity risks.

Eight speakers were invited from various backgrounds and expertise within the banking sector to discuss the following issues:

- Enterprise Risk Management (ERM) Framework for Islamic Banks
- Credit Risk Management in Islamic Banking and Risk Mitigation Approaches
- Global Developments in Liquidity Management
- Risk Sharing: Enhancing Potentials and Confronting Issues
- Managing *Shari'ah* Non-Compliance Risk
- Regulating Minimum Capital Requirements from Bail-out to Bail-in

This Executive Programme saw the attendance of 31 participants, consisting of senior and top management personnel ranging from chief officers to head of departments to directors. The IFSB and BIBF plan to organise the second Executive Programme in the second half of 2015.



The IFSB and BIBF Secretariat and participants attending the programme

## Facilitating the Implementation of the IFSB Standards (FIS) Workshops

Four "Facilitating the Implementation of the IFSB Standards (FIS)" Workshops were conducted in the second half of 2014. The first Workshop was tailored for the banking regulatory and supervisory authorities and focused on the Revised Capital Adequacy Standard for Institutions offering Islamic Financial Services (IIFS) (IFSB-15) on 18 – 22 August 2014 at Sasana Kijang, Kuala Lumpur, Malaysia. Other than IFSB-15, the Workshop also discussed the Guidance Note in Connection with the IFSB Capital Adequacy Standard: The Determination of Alpha in the Capital Adequacy Ratio (GN-4). It was attended by 32 participants from among the IFSB member regulatory and supervisory authorities (RSAs).

Two further FIS Workshops for RSAs on Islamic Capital Market and *Takaful* were also held concurrently on 3 – 5 November 2014. These Workshops served as a Train-The-Trainer programme on the IFSB Standards for the staff of the RSAs and were aimed at:

- enhancing the participants' understanding of the respective Standards and Guiding Principles thereby facilitating further training and implementation of these standards in their respective jurisdictions;
- assisting the participants in the practical application of issues addressed in the particular standards through case studies, group exercises and other interactive tools; and
- promoting the sharing of experiences among regulators and supervisors on the implementation of respective IFSB Standards and Guiding Principles.

The Workshop on Islamic Capital Market focused on deepening the discussions on various regulatory issues and challenges facing the capital market regulators and included practical examples and case studies on the supervision of *Sukuk* and Islamic Collective Investment Schemes (ICIS). This Workshop saw the attendance of 16 participants from different jurisdictions.



Participants attending the FIS Workshops on Islamic Capital Market



IFSB Secretariat and participants in the FIS Workshop in Senegal.

The Workshop on *Takaful*, for its part, aimed to help the RSAs implementing the IFSB Guiding Principles on Governance for *Takaful* Undertakings by reinforcing international best practices while addressing the specificities of governance for *Takaful* undertakings. Nine participants attended the Workshop.

The final FIS Workshop in 2014 was held in Dakar, Senegal on 17-19 November, hosted by the Banque Centrale Des Etats de L'Afrique de L'Ouest (BCEAO) and supported by the Islamic Development Bank (IDB). The 31 participants who attended the Workshop consisted of representatives from Benin, Burkina Faso, Guinea-Bissau, Ivory Coast, Mali, Niger, Togo, BCEAO Headquarters and the IDB Dakar Office.

The Workshop was tailored for the RSAs for the banking sector and covered the following IFSB Standards:

- IFSB-1: Guiding Principles of Risk Management for IIFS
- IFSB-10: Guiding Principles on *Shari'ah* Governance Systems for IIFS
- IFSB-16: Revised Guidance on Key Elements in the Supervisory Review Process of IIFS

The IFSB was very pleased to have received positive feedback from the participants and look forward to more interaction and participation in the IFSB activities with BCEAO, and other members in Africa.

# Updates from the 25<sup>th</sup> Meeting of the IFSB Council

11 December 2014 | Kuala Lumpur

## Bank Indonesia to Assume 2015 IFSB Chairmanship

The IFSB is pleased to announce that H.E. Agus D.W. Martowardojo, Governor, Bank Indonesia has been appointed as Chairman of the IFSB Council for the year 2015. The appointment takes effect on 1 January to 31 December 2015. Bank Indonesia (BI) will take over from Autoriti Monetari Brunei Darussalam (AMBD), under the governance of H.E. Yusof Abd Rahman, Managing Director, Autoriti Monetari Brunei Darussalam.

In light of this, the IFSB Annual Meetings 2015 will be held in Jakarta, Indonesia from 31 March to 2 April 2015.

## Federal Reserve Bank of New York and Malaysia Deposit Insurance Corporation Participate in the 10<sup>th</sup> Islamic Financial Stability Forum

The 10<sup>th</sup> Islamic Financial Stability Forum was held on 11 December 2014. The theme of the Forum was Preserving the Soundness and Stability of the Islamic Financial Services Industry: The Development of a Financial Safety Net Infrastructure". The opening remarks was delivered by the Council Chairperson H.E. Yusof Abd Rahman, Managing Director, AMBD. The speakers were Mr. Jaseem Ahmed, Secretary-General and Mr. Zahid ur Rehman Khokher, Assistant Secretary-General of the IFSB, who presented on "The Development of A Financial Safety Net Infrastructure for the Islamic Financial Services Industry." The discussants were Mr. Greg Cavanagh, Counsel and Vice President, Federal Reserve Bank of New York and Mr. Rafiz Azuan Abdullah, Executive General Manager Malaysia Deposit Insurance Corporation.



10<sup>th</sup> Islamic Financial Stability Forum, Kuala Lumpur

## 13<sup>th</sup> General Assembly of the IFSB

Article 15 of the Articles of the Agreement (amended March 2012) states: *The General Assembly shall meet annually at such time and place as the Secretariat (after consultation with the Chairman of the Council) shall determine by not less than 3 months' notice provided that no such notice shall be required in respect of the first meeting of the General Assembly which shall take place promptly after this Agreement shall have come into effect in accordance with Article 63.*

The Council has resolved to convene the 13<sup>th</sup> General Assembly on 2 April 2015 in Jakarta, Indonesia. Therefore, the IFSB Annual Meetings will be hosted by Bank Indonesia on 31 March – 2 April 2015. The Meetings will consist of the 26<sup>th</sup> Meeting of the IFSB Council, 13<sup>th</sup> General Assembly, 11<sup>th</sup> Islamic Financial Stability Forum, as well as an IFSB Seminar on Enhancing Financial Inclusion through Islamic Finance, Public Lecture on Financial Policy and Stability and a Meet the Members and Industry Engagement Session.

## The IFSB Admits Five Organisations Into Its Membership

The Council of the IFSB resolved to approve the applications of five financial institutions as Observer Members of the IFSB. The newly admitted Observer Members are:

1. Bank Muamalat Indonesia, Indonesia
2. Mellat Investment Bank, The Islamic Republic of Iran
3. Qatar First Bank, Qatar
4. Turkey Finans Katilim Bankasi, Turkey
5. Al Masraf – Arab Bank for Investment & Foreign Trade, United Arab Emirates

This brings the IFSB membership (as at December 2014), to 184 members organisations comprising of 59 regulatory and supervisory authorities, eight international inter-governmental organisations, 112 financial institutions and professional firms as well as five self-regulatory organisations (Industry Associations and Stock Exchanges) operating in 44 jurisdictions.

The full list of the IFSB members is available on the IFSB website [www.ifsb.org](http://www.ifsb.org).

## IFSB PERSONALITIES



**Chairman of the Council of the IFSB 2015**  
**Bank Indonesia**  
**H.E. Agus D.W. Martowardojo, Governor, Bank Indonesia**

H.E. Agus D.W. Martowardojo took office as Governor of Bank Indonesia on May 24, 2013, for a five year term ending 2018. Prior to His Excellency appointment as the Governor of Bank Indonesia, His Excellency served as the Minister of Finance, the Republic of Indonesia, from May 2010 to April 2013.

H.E. Martowardojo spent most of his career in the banking industry. His Excellency held key positions in several leading banks in Indonesia. His Excellency was the President Director and CEO of Bank Mandiri (2005 to 2010), President Director of Bank Permata (2002-2005), advisor to the Chairman of the Indonesian Bank Restructuring Agency (2002), Managing Director of Bank Mandiri (1999-2002), President Director of PT. Bank Ekspor Impor Indonesia (1998-1999), and President Director of Bank Bumiputera (1995-1998). Early in his career, His Excellency joined Bank Niaga (1986-1994) and Bank of America (1984-1986).

His Excellency is a graduate of economics at the University of Indonesia. His Excellency deepened his knowledge further through various programmes at the State University of New York, Harvard Business School, Stanford University, and Wharton Executive Education.

**Chairman of the Council of the IFSB 2014**  
**Autoriti Monetari Brunei Darussalam**  
**H.E. Yusof Abd Rahman, Managing Director, Autoriti Monetari Brunei Darussalam**



H.E. Yusof Abd Rahman was appointed as the Managing Director of Autoriti Monetari Brunei Darussalam (AMBD) on 26 August 2014. Prior to this, His Excellency was the Deputy Permanent Secretary (International, Economic, Finance, Research and Development Division) at the Prime Minister's Office since 2013.

H.E. Yusof Abd Rahman also served as the Managing Director of Tabung Amanah Islam Brunei (TAIB) in 2010 and the Deputy Permanent Secretary (Policy and Administration) at the Ministry of Finance in 2009. In 2001, His Excellency was seconded to the Badan Tanmiah Harta Majlis Ugama Islam (MUIB), Ministry of Religious Affairs as the Managing Director.

H.E. Yusof Abd Rahman holds an MSc in International Hotel Management from University of Surrey, United Kingdom (1998) and BA (Hons) in Management Studies from Universiti Brunei Darussalam, Brunei Darussalam (1989).

## 34<sup>th</sup> Technical Committee Meeting

The 34<sup>th</sup> Technical Committee (TC) Meeting was held on 20 October 2014 in Amman, Jordan hosted by Central Bank of Jordan. The meeting was chaired by Dr. Ahmed Abdulkarim Alkholifey, TC Chairman. Deputy Chairman of the TC, Mr. Mu'jib Turki Al Turki also participated. Key deliberations focused on the following:

### Standard on Core Principles for Islamic Finance Regulation (ED-17)

The 5<sup>th</sup> Core Principles for Islamic Finance Regulation (CPIFR) Working Group Meeting was held on 29 May 2014 in Kuala Lumpur. The Working Group (WG) members discussed and finalised the revised Preliminary Exposure Draft (PED) before it was presented to the TC and subsequently to the *Shari'ah* Board of the Islamic Development Bank for *Shari'ah* deliberation in June 2014 and September 2014, respectively.

The main objective of the Core Principles for Islamic Finance Regulation (CPIFR) is to provide a set of Core Principles – along with associated assessment methodology – for the regulation and supervision of the Islamic financial services industry (IFSI), taking into consideration the specificities of the institutions offering Islamic financial services (IIFS) in the banking segment, the lessons learned from the financial crisis, and complementing the existing international standards, principally the Core Principles for Effective Banking Supervision issued by Basel Committee on Banking Supervision.

The IFSB submitted the document after *Shari'ah* Board review for deliberation of the WG in its meeting on 30 September 2014 in Dubai, U.A.E. The revised PED was then submitted to the 34<sup>th</sup> TC meeting for issuance as an Exposure Draft (ED-17) in October 2014. The TC approved the issuance of the ED for public consultation at the 34<sup>th</sup> TC meeting, held on 20 October 2014. The public consultation period started on 31 October 2014 and ended on 9 January 2015.

### Guidance Note on Quantitative Measures for Liquidity Risk Management (GN-6)

The PED of the Guidance Note on Quantitative Measures for Liquidity Risk Management in Institutions offering only IIFS was presented and discussed in the *Shari'ah* Board Meeting on 15 September 2014 in Kuala Lumpur. The meeting on 1 October 2014 in Dubai, U.A.E. discussed the revised PED after deliberation by the *Shari'ah* Board and to recommend to the TC for its issuance as an ED.

GN-6 aims to complement global liquidity standards such as Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) and other developments on liquidity risk management for the IFSI. It will help the regulatory and supervisory authorities to provide a level-playing field to the IIFS in the application of liquidity standards vis-a-vis their conventional counterparts, and thus will promote the sound management of liquidity risk in IIFS. The TC approved the issuance as an ED for public consultation from 31 October 2014 to 9 January 2015, at the 34<sup>th</sup> TC meeting held on 20 October 2014.

### Working Paper on the Evaluation of Core Principles Relevant to Islamic Finance Regulation (WP-02)

The WG research paper is based on the Initial Study Report on Core Principles for Islamic Finance Regulation, which was deliberated by the WG on 16 September 2013 in Istanbul, Turkey. The draft Working Paper (WP) was deliberated by the WG in its meeting held in UAE on 30 September 2014 with incorporation of feedback from the IMF and other international standards-setting bodies such as the BCBS and IAIS. The Paper was submitted and approved by the TC in its 34<sup>th</sup> meeting held on 20 October 2014 and was issued as a Working Paper on 10 November 2014. The WP is available online at [www.ifsb.org](http://www.ifsb.org) (For details, refer to page 7)

### Guiding Principles for *Retakāful* (Islamic Reinsurance) Undertakings

The IFSB has established the Guiding Principles for *Retakāful* Undertakings Working Group (GPRTUWG) for the preparation of a draft of a standard on *Retakāful* Undertakings. In order to support this project, and in accordance with the due process for standards, the IFSB conducted a survey on the existing practices of *Retakāful* undertakings, the practices of *Takāful* undertakings in relation to *Retakāful*, and the practices of supervisory authorities. The objective of the survey is to collect background information on the *Retakāful* sector that will be used by the GPRTUWG in drafting the proposed GPRTU Standard. The survey seeks to achieve the following:

- provide information to the GPRTUWG on current approaches to the practice of *Retakāful* in selected IFSB member countries; and
- explore the challenges and limitations that are specific to *Takāful/Retakāful* undertakings in arranging for *Retakāful* contracts.

The survey ended on 5 August 2014 and the Secretariat received feedback from 67 institutions comprising 14 *Retakāful* Operators (RTOs), 38 *Takāful* Operators (TOs) and 15 Regulatory and Supervisory Authorities (RSAs).

The PED is being prepared to be tabled at the TC Meeting which will be held in March 2015.

### *Shari'ah*-compliant Deposit Insurance Coverage as a Safety Net

Following a focused discussion at the 4<sup>th</sup> Islamic Financial Stability Forum held on 17 November 2011 in Kuala Lumpur, the Council of the IFSB on 29 March 2012 approved, as part of the IFSB Strategic Performance Plan 2012–2015, the Secretariat to conduct studies on both a *Shari'ah*-compliant lender of last resort (SLOLR) and a *Shari'ah*-compliant deposit insurance scheme (SCDIS). The study on SLOLR has been undertaken and the Working Paper (WP-01) was published by the IFSB in April 2014. The WP is available on the IFSB website.

The survey findings and the first draft of the paper on SCDIS was submitted in the 34<sup>th</sup> TC meeting held on 20 October 2014. The draft is now being finalised and will be submitted to the TC in the meeting.

### Consumer Protection in Islamic Finance

The Council of the IFSB, in its 21<sup>st</sup> meeting held on 12 December 2012 in Jeddah, Kingdom of Saudi Arabia, approved the IFSB Secretariat to conduct a study on Consumer Protection in IIFS.

As a part of this study, the Secretariat has conducted a survey of member regulatory and supervisory authorities to collect information on legal and regulatory frameworks and best practices on consumer protection in Islamic financial services industry. The project commenced in the second quarter of 2014. A survey Questionnaire was prepared and distributed to member supervisory authorities in banking, *Takāful* and Islamic capital market sectors in June 2014.

The survey findings and the first draft of the paper was submitted in the 34<sup>th</sup> TC meeting held on 20 October 2014. The final draft is currently prepared, and is planned to be submitted to the TC in the next meeting scheduled in March 2015.

## New Projects

### Technical Note on Stress Testing for Institutions Offering Islamic Financial Services (IIFS)

In March 2012, the IFSB Council approved for adoption the IFSB-13, Guiding Principles on Stress Testing for IIFS. The guiding principles are intended to complement the existing international stress testing May 2010 framework taking into consideration the specificities of IIFS as well as the lessons learned from the financial crisis so as to contribute to the soundness and stability of IIFS, in particular, as well as the IFSI as a whole. During the development and the public consultation of the IFSB-13, the need for developing a detailed guidance for the operationalisation of IFSB-13 was highlighted. In view of the challenges, it was proposed to address technical details through a separate Technical Note to be issued by the IFSB in due course taking into account feedback from public consultation period and public hearing and/or seminars.

The proposed Technical Note was incorporated within the work plan outlined in the IFSB Strategic Performance Plan 2012-2015. The TC deliberated on the issues and proposed scope of the work for the Technical Note on Stress Testing for IIFS, and recommended the proposed Technical Note to be submitted to the Council for approval on its 31<sup>st</sup> meeting held on 24 October 2013 in Kuala Lumpur. In the light of the above considerations, the Council approved the preparation of a Technical Note on Stress Testing for IIFS and the setting up of an Expert Group for this purpose in its 23<sup>rd</sup> meeting on 10 December 2013.

The Task Force in charge of drafting the Technical Note, together with the Secretariat, has been established and its first meeting was held on 16 December 2014.

### Guiding Principles for Disclosure of Islamic Capital Market Products (New Standard)

The Council of the IFSB approved this project in its 21<sup>st</sup> meeting, held on 12 December 2012 in Jeddah, Kingdom of Saudi Arabia. In 2013, the IFSB collaborated with the International Organization of Securities Commissions (IOSCO) and Securities Commission Malaysia (SC) on a joint publication, a compilation of papers and commentaries presented at the IFSB-IOSCO-SC Roundtable on Disclosure Requirements for Islamic Capital Market (ICM) Products, held in Kuala Lumpur in September 2012. This publication titled, "Disclosure Requirements for Islamic Capital Market Products" was released at the IOSCO AGM in Luxembourg in September 2013 (and is available on the IFSB website). Subsequently, the Secretariat started work on the preparation of an Issues Paper that provides an overview on set of issues to be addressed in the new Guiding Principles. This Issues Paper was deliberated by the Technical Committee in its 34<sup>th</sup> Meeting held in Amman, Jordan on 20 October 2014. The TC agreed to the framework presented in the Issues Paper and approved the Secretariat to commence the project in early 2015.

### Prudential and Structural Indicators for Islamic Financial Institutions (PSIFIs)

The IFSB has embarked on Phase III of the PSIFIs project. The earlier phases of the project have focused on the development of indicators and preparation of a detailed Compilation Guide for the PSIFIs. The new phase of this project aims to collect, compile and disseminate the data on a selected set of macro-level indicators for the Islamic banking industry. To start this phase of the project, the IFSB prepared a Medium-Term Plan (MTP) for the period of 2014-2016. In line with MTP, the IFSB has invited the participation of regulatory and supervisory authorities (RSAs), which include existing and new PSIFI participants, who are seen as priority countries in terms of significant share of Islamic finance. A total of 16 jurisdictions have already confirmed their participation in the project.

For this project, a revised set of indicators was agreed taking into account the existing set of PSIFIs, Basel III related adjustments, modification in the IMF's Financial Soundness Indicators (FSIs), and analytical needs of the Islamic financial services industry (IFSI). A Supplement to the 2011 PSIFI Compilation Guide was prepared describing changes to the indicators, their formulas, and statistical methodologies. Excel forms have been constructed for reporting PSIFIs and their underlying data and metadata.



The Task Force members attending 2<sup>nd</sup> PSIFI meeting in Denpasar, Indonesia.

A Task Force was formed in 2014 comprising two coordinators from each of the 16 participating countries. The objective of the Task Force is to finalise the indicators and their definitions and participate in different meetings and workshops of PSIFI project. The first Task Force meeting was held on 15-17 September 2014 in

Kuala Lumpur, Malaysia, where the participating countries have agreed to compile data for the year end 2013 and submit them to the IFSB for review and on-line posting.

A second meeting of the Task Force was held in 12-14 November 2014 in Denpasar, Indonesia as a follow up to the first meeting to review the preliminary data submitted by member countries. This meeting was hosted by Bank Indonesia. The second meeting agreed that separate data will be collected for stand-alone Islamic banks and Islamic windows of conventional banks for both prudential and structural indicators. Apart from this, some updates were made in the list of indicators and their sequence to make them better organised in order to enhance their logical flow and comprehension.

Following the completion of end-2013 data gathering, the Task Force members agreed that the participating countries will focus on setting up compilation systems for the submission of data, preferably on a quarterly basis. The IFSB will then start the data collection exercise for the first three quarters of 2014, and plan for the dissemination of data on the IFSB website on a periodical basis.

### Public Hearings on Core Principles for Islamic Finance Regulation (Banking Segment) (ED-17) and Guidance Note on Quantitative Measures for Liquidity Risk Management in Institutions Offering Islamic Financial Services (GN-6)

These Public Hearings on ED-17 and GN-6 were held within the Public Consultation period of the documents and were part of the IFSB due process for the development of standards and guiding principles as outlined in the IFSB Guidelines and Procedures for the Preparation of Standards/Guidelines. The first Public Hearing was held on 30 November 2014 in Manama, Kingdom of Bahrain and the second was held on 16 December 2014 in Kuala Lumpur, Malaysia.



Participants attending the Public Hearing in Manama, Bahrain.

The Exposure Drafts were issued on 31 October 2014 and public consultation has ended on 9 January 2015. The final drafts of IFSB-17 and GN-6 are planned to be tabled to the IFSB Council for adoption in April 2015.



The Secretary-General of the IFSB, Mr. Jaseem Ahmed with the Secretary-General Accounting and Auditing Organisation for Islamic Financial Institutions (AAOIFI), Dr. Hamed Hassan Merah at the Abu Dhabi Islamic Bank Fifth Fiqh Symposium -The Islamic Financial Industry: Realities, Aspirations & Innovation which was held on 25 September 2014.

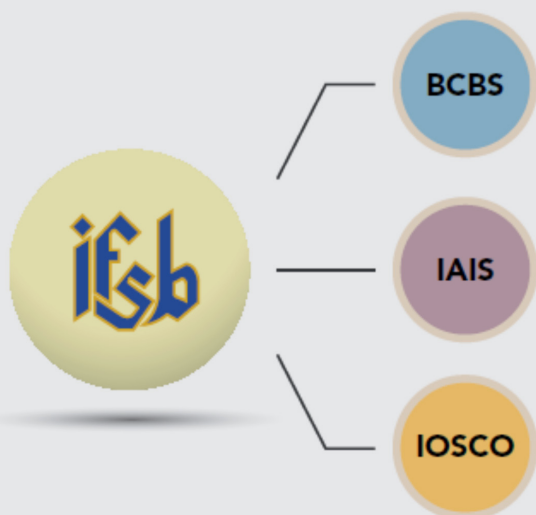
### The IFSB participates in the IMF Interdepartmental Working Group on Islamic Finance (IDWGIF)

The IFSB participated in the IMF-WB Annual Meetings 2014 which was held in October 2014 and was invited to be part of the External Advisory Group (EAG) for The Interdepartmental Working Group on Islamic Finance (IDWGIF) of the International Monetary Fund (IMF). The EAG was established by the IMF to help identify policy challenges facing the Islamic finance industry and facilitate coordination with those international institutions involved in establishing standards for the industry. The IFSB, represented by its Secretary-General, attended its first meeting on 9 October 2014 in Washington, D.C. to discuss issues related to Islamic banking and the development of *Sukūk* markets. Other meetings also included discussions with the IMF on collaboration with IMF Institute for Capacity Development (ICD) on capacity building of IMF staff and with Statistics Department on the IFSB's PSIFs project. The IMF issued a press release on its consultations which can be accessed at <http://www.imf.org/external/np/sec/pr/2014/pr14468.htm>.



### International Federation of Accountants

In meetings with the International Federation of Accountants (IFAC), the IFSB agreed to support the launch of its Global Knowledge Gateway, in December 2014, which include information on the IFSB and Islamic finance in general and an inaugural article by the Secretary-General, titled, Islamic Finance: A Trend Too Significant to Ignore which was published on 8 December 2014. The paper can be accessed at <http://www.ifac.org/global-knowledge-gateway/viewpoints/islamic-finance-trend-too-significant-ignore#>.



### Collaboration with International Standard-Setting Bodies and Multilaterals

As a part of global policy dialogue, the IFSB has been engaging with other international standard-setting bodies for conventional finance such as the Basel Committee on Banking Supervision (BCBS), the International Organisation of Securities Commissions (IOSCO) and the International Association of Insurance Supervisors (IAIS).

These interactions have resulted in better understanding and recognition of the issues faced by the Islamic financial services industry at the global level.

The IFSB participates formally in the Consultative Group of the BCBS as well as in the Consultative Advisory Groups of International Auditing and Assurance Standards Board (IAASB) and International Ethics Standards Board for Accountants (IESBA).



### Basel-based Financial Stability Institute and the IFSB Organise a Seminar on Liquidity Risk in Islamic and Conventional Banks in Qatar

The IFSB and the Financial Stability Institute (FSI) have successfully organised a Seminar on Liquidity Risk in Islamic and Conventional Banks on 28-29 October 2014 in Doha, Qatar. The Qatar Central Bank was the host for this inaugural joint IFSB-FSI Seminar.



Session 5: Liquidity Risk Measurement, Monitoring and Supervision: Liquidity Stress Testing



Participants attending the Seminar

It is the first Seminar jointly organised by the IFSB and the FSI of the Bank for International Settlements (BIS), which aimed at capacity building in liquidity risk for staff of supervisory authorities responsible for conventional and Islamic banks. In light of new global regulatory developments, the Seminar updated the participants on the work and developments in the BCBS and the IFSB in relation to the supervision and regulation of liquidity risk.

Mr. Stefan Hohl, Senior Financial Sector Specialist of FSI and Mr. Meheb Turki Al-Turki, Director of Supervision & Control Department of QCB delivered the opening and welcoming speeches respectively. The keynote address was delivered by Mr. Errol Kruger, Managing Director, Supervision and Authorisation, Qatar Financial Centre Regulatory Authority.

Fifteen chairpersons and speakers from among senior financial sector supervisors were invited and discussed the following issues at the Seminar:-

- Managing Liquidity and Liquidity Risks to Promote Financial Stability
- Global Regulatory Developments on Liquidity Risk Management
- Global Developments on Liquidity Risk and Challenges for Islamic Finance
- Key Elements for Structuring Liquidity Instruments by the Public Sector
- Liquidity Risk Measurement, Monitoring and Supervision: Liquidity Stress Testing
- Panel Discussion: Emerging Trends and Challenges in Supervising Liquidity Risk Management in the Banking Industry

The Seminar saw the attendance of 80 participants from government, regulatory and supervisory bodies, from among member organisations of the IFSB and FSI.



## 11<sup>th</sup> IFSB SUMMIT PROCEEDINGS Issuance Date: December 2014

The Proceedings of the 11<sup>th</sup> IFSB Summit was published in November 2014. The theme of the Summit, which was held in Mauritius, was “New Markets and Frontiers for Islamic Finance: Innovation and the Regulatory Perimeter”. It was the first IFSB Summit to be held on the African continent, which is widely regarded as the new frontier for Islamic finance.

The Proceedings aim to capture discussion points which were highlighted in the Summit sessions. The printed copies were distributed at the 24<sup>th</sup> Council Meeting which was held on 11 December 2014 in Kuala Lumpur.

The softcopy of this Proceedings is available on the IFSB website, [www.ifsb.org](http://www.ifsb.org).



## WP-02 WORKING PAPER ON EVALUATION OF CORE PRINCIPLES RELEVANT TO ISLAMIC FINANCE REGULATION Issuance Date: November 2014

WP-02 assesses in full the Core Principles issued by the Basel Committee for Banking Supervision (BCBS), the International Organization for Securities Commissions (IOSCO), as well as those issued by the International Association of Insurance Supervisors (IAIS). The key objective was to analyse the applicability and relevance to the prudential regulation and supervision of Islamic finance of the Core Principles of the international standard-setting bodies for the conventional financial system. In particular, the WP provides a principle-by-principle gap analysis of these Core Principles and explains whether: (a) the existing principles are fully applicable; (b) they require modifications or adjustments; or (c) new principles are needed. The analysis indicated many areas of relevance, but it also underscored the importance of having additional principles to cater for the specific nature of products and the balance sheet structure of IIFS.



## WP-01 WORKING PAPER ON STRENGTHENING THE FINANCIAL SAFETY NET: THE ROLE OF SHARI'AH-COMPLIANT LENDER-OF-LAST-RESORT (SLOLR) FACILITIES AS AN EMERGENCY FINANCING MECHANISM Issuance Date: April 2014

WP-01 comprehensively addresses the *Shari'ah* perspective on the provision of a lender-of-last-resort (LOLR) facility by the central bank, as well as examining the role and significance of well-designed *Shari'ah*-compliant lender-of-last-resort (SLOLR) facilities as an emergency mechanism for IIFS in promoting the stability and resilience of the Islamic financial services industry. The paper also evaluates the possible initiatives (or arrangements) by regulatory and supervisory authorities (RSAs), aimed at providing stand-by funding opportunities for IIFS on a *Shari'ah*-compliant basis for short-term, overnight or intraday periods of liquidity stress. Finally, taking into account classical and contemporary viewpoints on the LOLR, the paper outlines some potential strategies for developing SLOLR facilities.

Please visit the IFSB website, [www.ifsb.org](http://www.ifsb.org) to find out more on the IFSB publications.



## 12<sup>th</sup> IFSB Summit 2015 to be held in Kazakhstan

The 12<sup>th</sup> Annual Summit will be held on 19 - 21 May 2015 in Almaty, Kazakhstan. The National Bank of Kazakhstan is hosting the twelfth edition of this annual landmark event for the IFSB, the first to be held in the Central Asia region.

A Memorandum of Understanding (MoU) was signed between the National Bank of Kazakhstan and the IFSB on 31 December 2014. The MoU signifies the cooperation and commitment of both parties in ensuring the success of this important event.

The Annual IFSB Summits aim to bring together industry leaders and professionals from across the globe. In particular, participants of the previous Summits have included key players of the IFSI, especially members of the IFSB from among regulatory and supervisory authorities, international inter-governmental organisations and market players.

The theme of this 2015 Summit is “**Core Principles for Islamic Finance: Integrating with the Global Regulatory Framework**”. The proposed Core Principles for Islamic Finance Regulation represent an advanced approach to the assessment of supervisory and stability regimes, one that is benchmarked against the new global regulatory architecture. The need for Core Principles arises in the context of the sustained growth of Islamic finance, and its increasing integration into the global economic system. These developments present a set of opportunities and challenges to its further prospects requiring a consistent, cross-national framework for its stability and resilience. While there are significant benefits to Islamic finance from the process of growth and international integration that is underway, there are corresponding challenges in building up the regulatory, supervisory and surveillance capabilities in order to contain vulnerability to cross border volatility, and contagion.

Among the topics to be discussed in the 12<sup>th</sup> Summit are:

- Global Overview of the Islamic Financial Services Industry (IFSI): Trends and Policy Developments
- New Regulatory Developments and the Impact on the IFSI
- Role of the Core Principles for Islamic Finance in Enhancing Regulatory Consistency and Resilience of the Industry
- Enabling Framework for the Assessment of Regulatory and Supervisory Regimes
- Panel Discussion on “The New Silk Road: The Importance of Regulatory Cooperation for Cross-Border Integration”

Register your participation at [www.ifsb.org](http://www.ifsb.org).

Enquiries on participation and sponsorship opportunities can be forwarded to [ifsb\\_sec@ifsb.org](mailto:ifsb_sec@ifsb.org).

## Meet the Members and Industry Engagement Session in Dubai

The debut of the Meet the Members and Industry Engagement (MTM&IE) Session, organised by the IFSB and hosted by the Central Bank of the United Arab Emirates was held on 28 September 2014 in Dubai, United Arab Emirates.

This session provided an interactive platform for communication between the key players of the Islamic financial services industry (IFSI) among the IFSB member and non-members organisations, and the IFSB Secretariat.

The Session was attended by 54 guests from 39 member and non-member organisations. Mr. Khalid Al Kharji, Chief Manager Banking Supervision Department, Central Bank of United Arab Emirates in his welcoming remark, highlighted the importance of the session as an opportunity for the IFSB members and other market players to interact and exchange views with the management of the IFSB on its work programme, its interaction with the regional and global stakeholders and other pertinent issues facing the Islamic financial services industry.

Mr. Jaseem Ahmed, in his opening remarks, spoke on the contributions that the IFSB is making to facilitate and promote the soundness and stability of the Islamic financial services industry in carrying out its mandate as a global standard setting organisation. The session then saw a presentation by Mr. Zahid Ur Rehman Khokher, who shared the findings of the 2014 IFSB Standard Implementation and Membership Satisfaction Surveys. The presentation was followed by an interactive session between the guests and the IFSB management.



Participants attending the MTM & IE session.



Mr. Khalid Al Kharji delivering the welcoming remarks

### الملتقى الدوري لأعضاء وشركاء مجلس الخدمات المالية الإسلامية

أقام مجلس الخدمات المالية الإسلامية فعاليات الملتقى الدوري للأعضاء، الذي تم بمشاركة الشركاء الغير الأعضاء في المجلس للمرة الأولى، وذلك بمدينة دبي في 28 سبتمبر 2014. وقد استضاف مصرف دولة الإمارات العربية المتحدة المركزي فعاليات هذا الملتقى.

و يعتبر هذا الملتقى منصة توفرها الأمانة العامة لمجلس الخدمات المالية الإسلامية للقاء أعضاء وشركاء مجلس الخدمات المالية الإسلامية، وذلك بهدف فهم الاهتمامات والقضايا التي تواجه أعضاء وشركاء المجلس والتأكد من أن الأنشطة المخطط لها أو التي أقامها مجلس الخدمات المالية الإسلامية تتسم بالأهمية وتتماشى مع احتياجات أعضاء المجلس.

وقد شهد الملتقى حضور 54 مشاركاً ممثلين عن 39 مؤسسة، هذا وقد أبرز السيد / خالد الخرجي مدير أول، إدارة الإشراف على المصارف، مصرف الإمارات العربية المتحدة المركزي، خلال كلمته الترحيبية أهمية هذا الملتقى باعتباره فرصة لأعضاء مجلس الخدمات المالية الإسلامية والشركاء الآخرين للتفاعل وتبادل وجهات النظر مع إدارة مجلس الخدمات المالية الإسلامية في برنامج عملها وغيرها من القضايا ذات الصلة التي تواجه صناعة الخدمات المالية الإسلامية.

فيما تناول السيد / جاسم أحمد، الأمين العام لمجلس الخدمات المالية الإسلامية، خلال كلمته الافتتاحية مساهمات وجهود المجلس لضمان قوة واستقرار صناعة الخدمات المالية الإسلامية، وذلك من خلال تقديم معايير جديدة، أو ملائمة المعايير الدولية القائمة بصفة تتسق مع مبادئ الشريعة الإسلامية.

كما شهد الملتقى عرض قدمه السيد / زاهد الرحمن خوخر، الأمين العام المساعد لمجلس الخدمات المالية الإسلامية، والذي تناول فيه نتائج استطلاعات عام 2014 الخاصة بتطبيق المعايير الصادرة عن المجلس وقياس مدى رضا الأعضاء عن الخدمات التي يقدمها المجلس.

هذا وقد أعقب العرض جلسة تفاعلية بين كل من الأعضاء والشركاء وإدارة مجلس الخدمات المالية الإسلامية.



مصور جاتب من المصور لشان هجر في الملتقى



## تكمين الموقع الإلكتروني للمجلس باللغة العربية

**يسر مجلس الخدمات المالية الإسلامية الإعلان عن تكمين موقعه الإلكتروني باللغة العربية. ويأتي تنفيذ هذا المشروع من قبل الأمانة العامة لمجلس الخدمات المالية الإسلامية نظرية لرغبة الأعضاء، وذلك بعد موافقة المجلس الأعلى على الخطة السنوية. والجدير بالذكر أن ترجمة المحتوى للغة العربية و عملية تطوير الموقع بدأت في منتصف عام 2014، وسيكون الموقع متاحاً لتصفح في نهاية شهر يناير 2015. ومن بين الأهداف التي يكراد تحقيقها من الموقع الإلكتروني باللغة العربية:**

1. **التواصل مع الأعضاء التلتقين باللغة العربية.**
2. **المساعدة في فهم أعمق لدور مجلس الخدمات المالية الإسلامية، والذي يؤدي لتعزيز فهم واعتماد المعايير والمبادئ الإرشادية الصادرة عن المجلس.**
3. **تعزيز قنوات الاتصال والتواصل مع الأمانة العامة لمجلس الخدمات المالية الإسلامية.**
4. **تشجيع المزيد من الأعضاء الناطقين باللغة العربية على المشاركة في فعاليات وأنشطة المجلس.**

**المجلس**

**يحثكم زيارة الموقع باللغة العربية من خلال**

**[www.ifsb.org](http://www.ifsb.org)**

## نبذة عن المجلس

يعتبر مجلس الخدمات المالية الإسلامية هيئة دولية واعدة للمعايير التي تهدف إلى تطوير وتعزيز قوة واستقرار صناعة الخدمات المالية الإسلامية، وذلك بإصدار معايير احترافية ومبادئ إرشادية لهذه الصناعة التي تضم بصفة عامة قطاعات الصيرفة، وأسواق المال، والتكافل (التأمين الإسلامي). كما يقوم مجلس الخدمات المالية الإسلامية بأنشطة بحثية، وتنسيق المبادرات المتعلقة بهذه الصناعة، فضلاً عن تنظيم حلقات نقاشية، وندوات ومؤتمرات علمية، للسلطات الرقابية، والشركاء المهتمين بهذه الصناعة.

منذ إنشاء مجلس الخدمات المالية الإسلامية، تم إصدار اثنين وعشرين معياراً، ومبدأً إرشادياً، وملاحظة فنية، خاصة بصناعة الخدمات المالية الإسلامية. وقد غطت هذه الإصدارات المجالات التالية:

- (المعيار رقم 1): المبادئ الإرشادية لإدارة المخاطر للمؤسسات (عدا مؤسسات التأمين) التي تقتصر على تقديم خدمات مالية إسلامية.
- (المعيار رقم 2): معيار كفاية رأس المال للمؤسسات (عدا مؤسسات التأمين) التي تقتصر على تقديم خدمات مالية إسلامية.
- (المعيار رقم 3): المبادئ الإرشادية لضوابط إدارة المؤسسات التي تقتصر على تقديم خدمات مالية إسلامية (عدا مؤسسات التأمين الإسلامي (التكافل)، وصناديق الاستثمار الإسلامية).
- (المعيار رقم 4): معيار الإفصاحات لتعزيز الشفافية وانضباط السوق للمؤسسات التي تقتصر على تقديم خدمات مالية إسلامية عدا مؤسسات التأمين الإسلامية/التكافل.
- (المعيار رقم 5): الإرشادات المتعلقة بالعناصر الرئيسية في إجراءات الرقابة الإشرافية للمؤسسات التي تقتصر على تقديم خدمات مالية إسلامية (عدا مؤسسات التأمين الإسلامي (التكافل)، وصناديق الاستثمار الإسلامية).
- (المعيار رقم 6): المبادئ الإرشادية لضوابط برامج الاستثمار الجماعي.
- (المعيار رقم 7): متطلبات كفاية رأس المال للصكوك، والتصكيك، والاستثمارات العقارية.
- (المعيار رقم 8): المبادئ الإرشادية لضوابط التأمين التكافلي.
- (المعيار رقم 9): المبادئ الإرشادية لسلوكيات العمل للمؤسسات التي تقدم خدمات مالية إسلامية.
- (المعيار رقم 10): المبادئ الإرشادية لنظم الضوابط الشرعية للمؤسسات التي تقدم خدمات مالية إسلامية.
- (المعيار رقم 11): معيار متطلبات الملاءة للتأمين التكافلي.
- (المعيار رقم 12): المبادئ الإرشادية لإدارة مخاطر السيولة للمؤسسات (عدا مؤسسات التكافل وبرامج الاستثمار الجماعي الإسلامي) التي تقدم خدمات مالية إسلامية.
- (المعيار رقم 13): المبادئ الإرشادية لاختبارات الضغط للمؤسسات (عدا مؤسسات التكافل وبرامج الاستثمار الجماعي) التي تقدم خدمات مالية إسلامية.
- (المعيار رقم 14): معيار إدارة المخاطر لشركات التكافل (التأمين الإسلامي).
- (المعيار رقم 15): المعيار المعدل لكفاية رأس المال للمؤسسات التي تقدم خدمات مالية إسلامية عدا مؤسسات التأمين الإسلامي (التكافل) وبرامج الاستثمار الجماعي الإسلامي.
- (المعيار رقم 16): الإرشادات المعدلة للعناصر الأساسية لإجراءات الرقابة الإشرافية على المؤسسات التي تقدم خدمات مالية إسلامية (عدا مؤسسات التكافل وبرامج الاستثمار الجماعي الإسلامي).

(ملاحظة فنية رقم 1): قضايا تعزيز إدارة السيولة للمؤسسات التي تقدم خدمات مالية إسلامية: تطوير أسواق المال الإسلامية.

(ورقة عمل رقم 1): تدعيم شبكة الأمان المالية: دور تسهيلات مسعف الملاذ الأخير المتفق مع الشريعة كآلية تمويل في حالات الطوارئ.

(ورقة عمل رقم 2): تقويم المبادئ الأساسية المتعلقة بالرقابة على التمويل الإسلامي.

الجدير بالذكر أن المجلس يضم في عضويته منظمات دولية، وإقليمية، ووطنية، والشركاء الذين تجمعهم به أهداف مشتركة. للمزيد من المعلومات حول مجلس الخدمات المالية الإسلامية وللحصول على المعايير والتقارير والأوراق البحثية أو أي إصدارات أخرى الرجاء زيارة الموقع الإلكتروني [www.ifsb.org](http://www.ifsb.org)

## UPCOMING IFSB WORKSHOPS & AWARENESS PROGRAMMES

January – May 2015

10 – 12 February 2015 | Sudan

IFSB-FIS WORKSHOPS ON ISLAMIC BANKING  
IFSB-15

Hosted by



24 – 26 March 2015 | Egypt

IFSB-FIS WORKSHOPS ON ISLAMIC BANKING  
IFSB-1 and IFSB-15

Hosted by



31 March 2015 | Indonesia

IFSB ANNUAL MEETINGS 2015

IFSB SEMINAR ON ENHANCING FINANCIAL INCLUSION  
THROUGH ISLAMIC FINANCE

Hosted by



1 April 2015 | Indonesia

IFSB ANNUAL MEETINGS 2015

- 7<sup>TH</sup> PUBLIC LECTURE ON FINANCIAL POLICY AND STABILITY
- IFSB MEET THE MEMBERS AND INDUSTRY ENGAGEMENT SESSION

2 April 2015 | Indonesia

IFSB ANNUAL MEETINGS 2015

- 26<sup>TH</sup> COUNCIL MEETING
- 13<sup>TH</sup> GENERAL ASSEMBLY
- 11<sup>TH</sup> ISLAMIC FINANCIAL STABILITY FORUM

11 – 15 May 2015 | Malaysia

IFSB-FIS WORKSHOP ON IFSB STANDARDS FOR REGULATORY AND  
SUPERVISORY AUTHORITIES OF THE IFSB MEMBER COUNTRIES  
(BANKING SECTOR)

19 May 2015 | Kazakhstan

12<sup>TH</sup> IFSB SUMMIT 2015

- IFSB-IRTI SESSION ON THE MID-TERM REVIEW OF THE IFSI  
DEVELOPMENT: TEN-YEAR FRAMEWORK AND STRATEGIES  
Fostering Integration of the Islamic Financial Services Industry for the  
Orderly Development of the Industry
- COUNTRY SHOWCASES
- IFSB MEET THE MEMBERS AND INDUSTRY ENGAGEMENT  
SESSION

Hosted by



20 – 21 May 2015 | Kazakhstan

12<sup>TH</sup> IFSB SUMMIT 2015

12<sup>TH</sup> ISLAMIC FINANCIAL SERVICES BOARD SUMMIT

Core Principles for Islamic Finance: Integrating with the Global Regulatory Framework

25 – 26 May 2015 | Turkey

IFSB-FIS WORKSHOPS ON ISLAMIC BANKING  
IFSB-6, IFSB-10, IFSB-12 and GN-6

Please visit [www.ifsb.org](http://www.ifsb.org) for more information and registration details



## IFSB Launches the Arabic Website

The IFSB is pleased to announce the launching of the IFSB Website in Arabic. The Arabic website was initially proposed by members in 2011 Membership Satisfaction Survey; and the proposal was taken up by the Secretariat and approved by the IFSB Council as part of the IFSB Work plan. The translation of the English content and development of the Arabic website started in mid-2014, and the final Arabic website will be launched by end January 2015.

The IFSB Arabic website aims to, among other objectives:

- Reach out to Arabic speaking members.
- Build greater understanding of the role of the IFSB, and ultimately lead to greater understanding and adopting of standards and guidelines.
- Enhance the IFSB public relations, communication and information channels for the Secretariat.
- Encourage greater participation among Arabic speaking members in the IFSB activities and events.

The Arabic website is accessible from [www.ifsb.org](http://www.ifsb.org)

## About the IFSB

The IFSB is an international standard-setting organisation that promotes and enhances the soundness and stability of the Islamic financial services industry by issuing global prudential standards and guiding principles for the industry, broadly defined to include banking, capital markets and insurance sectors. The IFSB also conducts research and coordinates initiatives on industry-related issues, as well as organises roundtables, seminars and conferences for regulators and industry stakeholders. Towards this end, the IFSB works closely with relevant international, regional and national organisations, research/educational institutions and market players.

As of January 2015, the IFSB has published twenty-four Standards, Guiding Principles, Guidance and Technical Notes and Working Papers as follows:

IFSB-1 Guiding Principles of Risk Management for Institutions (Other Than Insurance Institutions) Offering Only Islamic Financial Services (IIFS)

IFSB-2 Capital Adequacy Standard for IIFS

IFSB-3 Guiding Principles on Corporate Governance for IIFS

IFSB-4 Disclosures to Promote Transparency and Market Discipline for IIFS

IFSB-5 Guidance on Key Elements in the Supervisory Review Process of IIFS

IFSB-6 Guiding Principles on Governance for Islamic Collective Investment Scheme

IFSB-7 Capital Adequacy Requirements: Sukūk Securitisations and Real Estate Investment

IFSB-8 Guiding Principles on Governance of Islamic Insurance (*Takaful*) Operations

IFSB-9 Guiding Principles on Conduct of Business for IIFS

IFSB-10 Guiding Principles on *Shari'ah* Governance System

IFSB-11 Standard on Solvency Requirements for *Takaful* (Islamic Insurance) Undertakings

IFSB-12 Guiding Principles on Liquidity Risk Management

IFSB-13 Guiding Principles on Stress Testing

IFSB-14 Standard on Risk Management for *Takaful* (Islamic Insurance) Undertakings

IFSB-15 Revised Capital Adequacy Standard

IFSB-16 Revised Guidance on Key Elements in the Supervisory Review Process of IIFS

GN-1 Guidance Note in Connection with the Capital Adequacy Standard: Recognition of Ratings by External Credit Assessment Institutions (ECAIs) on *Shari'ah*-Compliant Financial Instruments

GN-2 Guidance Note in Connection with the Risk Management and Capital Adequacy Standards: Commodity *Murabahah* Transactions

GN-3 Guidance Note on the Practice of Smoothing the Profits Payout to Investment Account Holders

GN-4 Guidance Note in Connection with the IFSB Capital Adequacy Standard: The Determination of the Alpha in the Capital Adequacy Ratio

GN-5 Guidance Note on the Recognition of Ratings by ECAIs on *Takaful* and *ReTakaful* Undertakings

TN-1 Technical Note on Issues in Strengthening Liquidity Management of Institutions Offering Islamic Financial Services: The Development of Islamic Money Market

WP-01 Working Paper on Strengthening the Financial Safety Net: The Role of *Shari'ah*-compliant Lender-of Last-Resort (SLOLR) Facilities as an Emergency Financing Mechanism

WP-02 Evaluation of Core Principles Relevant to Islamic Finance Regulation

The members of the IFSB comprise regulatory and supervisory authorities, international inter-governmental organisations and market players, professional firms and industry associations.

For more information about the IFSB and to download the IFSB Standards, reports, research papers and other publications, please visit [www.ifsb.org](http://www.ifsb.org).

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**12<sup>TH</sup> ISLAMIC FINANCIAL SERVICES BOARD SUMMIT****“Core Principles for Islamic Finance: Integrating with the Global Regulatory Framework”****20 & 21 MAY 2015  
ALMATY, KAZAKHSTAN**

Organised by



Hosted by




**SUMMIT AGENDA****Day 1 : Wednesday, 20 May 2015**

Time	Session Name
08:30 -- 18:00	<b>SUMMIT SPONSOR'S EXHIBITION</b>
08:30 -- 09:30	<i>Registration and Welcome Coffee</i>
09:30 -- 10:30	<b>Opening &amp; Keynote Session Launching of Islamic Financial Services Industry Stability Report 2015</b>
10:30 - 11:00	<i>Coffee Break &amp; Networking</i>
11:00 - 12:30	<b>Session 1 – Global Overview of the Islamic Financial Services Industry (IFSI): Trends and Policy Developments</b>
12:30 - 14:00	<i>Lunch</i>
14:00 - 15:30	<b>Session 2 – New Regulatory Developments and the Impact on the Islamic Financial Services Industry</b>
15:30 - 16:00	<i>Coffee Break &amp; Networking</i>
16:00 - 17:30	<b>Session 3 – Role of the Core Principles for Islamic Finance in Enhancing Regulatory Consistency and Resilience of the Industry</b>
20:00 - 22:00	<b>Summit Gala Dinner &amp; Keynote Address</b>

**Day 2 : Thursday, 21 May 2015**

Time	Session Name
08:30 - 14:00	<b>SUMMIT SPONSOR'S EXHIBITION</b>
09:30 - 11:00	<b>Session 4 – Enabling Framework for the Assessment of Regulatory and Supervisory Regimes</b>
11:00 - 11:30	<i>Coffee Break &amp; Networking</i>
11:30 - 13:00	<b>Session 5 – Panel Discussion on “The New Silk Road: The Importance of Regulatory Cooperation for Cross-Border Integration”</b>
13:00 - 14:00	<i>Lunch</i>

## Pre-Summit Events, 19 May 2015

Time	Session Name
09:30 – 18:00	<b>SUMMIT SPONSOR'S EXHIBITION</b>
09:30 – 11:00	<b>Pre-Summit Event 1 : IFSB Meet the Members and Industry Engagement Session</b>
11:00 – 11:30	<i>Coffee Break &amp; Networking</i>
11:30 – 13:00	<b>Pre-Summit Event 2 : Country Showcase 1</b>
13:00 – 14:00	<i>Lunch</i>
14:15 – 16:00	<b>Pre-Summit Event 3 :</b> <b>IFSB – IRTI Session on Mid-term Review of the “Islamic Financial Services Industry Development : Ten-Year Framework and Strategies”</b> <div>   </div>
16:00 – 17:30	<b>Pre-Summit Event 4 : Country Showcase 2</b>
17:30 – 18:00	<i>Coffee Break &amp; Networking</i>
20:00 – 22:00	<b>Summit Welcome Reception</b> <b>(Hosted by the National Bank of Kazakhstan) - For Summit Registered Participants Only</b> <div>  </div>

### 12<sup>TH</sup> IFSB SUMMIT

**19 - 21 May 2015**  
**Almaty, Kazakhstan**

Specify your interest to:

**Delegate registration**

Yazmin Aziz (yazmin@ifsb.org)

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