Labuan International Summit on

Islamic Financial & Investment Instruments

Special Address, Official Opening by & Special Forum with
YAB Dato' Seri Anwar Ibrahim
Deputy Prime Minister of Malaysia

Jointly Organised by
Association of Interest-Free Banking Institutions Malaysia &
BIMB Institute of Research and Training Sdn Bhd

In Association with
Labuan Offshore Financial Services Authority &
International Association of Islamic Banks

16 - 18 June 1997
Conference Hall
Financial Park Complex
Labuan, Malaysia

"Present Development & Future Challenges"
ABOUT THE SUMMIT

Labuan International Summit On Islamic Financial and Investment Instruments: Present Development and Future Challenges is jointly organised by the Association of Interest-Free Banking Institutions Malaysia (AIBIM) and BIMB Institute of Research and Training Sdn. Bhd. (BIRT) in association with Labuan Offshore Financial Services Authority (LOFSA) and the International Association of Islamic Banks (IAIB).

AIBIM is an association representing some 52 Interest-Free Banking Institutions in Malaysia while BIRT is a wholly-owned subsidiary of Bank Islam Malaysia Berhad, which amongst other things, provides consultancy services and training as well as organises seminars and conferences on various topics related to Islamic banking and finance in Malaysia and overseas.

Malaysia has been generally regarded as a world leader in Islamic banking. It has come a long way since Bank Islam Malaysia Berhad began its operation in 1983. A combination of guidance from the Central Bank and Government has paved the way for the incorporation of interest-free banking scheme by 52 financial institutions in the country. Today, 51 financial institutions offer Islamic banking alongside conventional banking scheme, while Bank Islam Malaysia Berhad is solely engaged in Islamic Banking. Malaysia also offers an Islamic interbank market, two takaful (Islamic insurance companies), several Islamic unit trusts, Islamic stock broking, Islamic corporate bonds and an Islamic banking institute.

The Summit will be a forum delivered by experts and authorities on Islamic banking and finance from the Middle East, United Kingdom, United States of America, Canada, Indonesia and Malaysia to discuss various topics in the areas of Establishment of Islamic Banking and Finance, Regional Development of Islamic Banking and Finance, Financing and Securitisation, Prospect and Challenges, Fund Management and other Financial Investments.

The Summit shall be conducted on modular basis in which participants can opt to attend Day One, Day Two, Day Three or any combination.

The Summit will be held at Financial Park Complex, Labuan, Malaysia. The Financial Park Complex is located very near to Labuan town centre. It is just a walking distance from sea front and approximately 5 minutes drive from the airport. It is a modern self-contained development area comprising five intelligent towers, office space, convention hall and a large shopping mall.

Labuan is an island located off the north west coast of Borneo, close to the coastline of Sabah and not far from Brunei. Blessed with breezy tropical climate, it is a fascinating island of great natural beauty and historical significance. It is strategically located in the heart of the Asia Pacific region, the fastest growing region in the world today.

The Federal Territory of Labuan was inaugurated as an International Offshore Financial Centre (IOFC) on 1 October 1990, marking another step forward in the progress of the nation. A key feature of Labuan IOFC is the comprehensiveness of offshore financial services and products offered to customers worldwide (particularly in Asia), ranging from offshore banking, offshore insurance, trust business, fund management, investment holding companies as well as companies established for specific purposes. The Malaysian government is striving to make Labuan an Islamic IOFC and encouraging local and foreign financial institutions to introduce Islamic financial services in Labuan.

Labuan International Summit On Takaful (Islamic Insurance) will be held subsequent to Labuan International Summit On Islamic Financial and Investment Instruments i.e. from 19-20 June, 1997.

OBJECTIVES OF THE SUMMIT

- To share the experience on the implementation of Islamic financial and investment instruments world-wide.
- To enhance the understanding of the participants on the Islamic financial and investment instruments.
- To increase the awareness on the spiritual aspects of Islamic transaction.
- To develop the Islamic financial and investment instruments to be an important component in the growth and stability of the Islamic economic system.
- To find solutions to shariah, legal and other issues toward strengthening the implementation of Islamic financial and investment instruments.

WHO SHOULD ATTEND

- Chairman, Chief Executive Officers, member of Board of Directors, senior level management and senior managers of banks and other financial institutions
- Senior and middle level management of corporate organisations
- Directors of governmental departments or statutory bodies
- Fund managers/Accountants/Auditors/Academicians/Legal Practitioners/Consultants
- Other interested parties
# THE PROGRAMME

## SESSION I : OPENING CEREMONY

<table>
<thead>
<tr>
<th>Time</th>
<th>Event</th>
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<tbody>
<tr>
<td>8:00 am</td>
<td>Registration of Participants</td>
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<tr>
<td>8:15</td>
<td>Arrival of Guests</td>
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<tr>
<td>8:55</td>
<td>Arrival of YAB Dato' Seri Anwar Ibrahim</td>
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<td></td>
<td>Deputy Prime Minister of Malaysia</td>
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<tr>
<td>9:00</td>
<td>Al Qur'an Recitation and Translation</td>
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<td>9:10</td>
<td>WELCOME ADDRESS</td>
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<tr>
<td></td>
<td>YBhg Dato' Ahmad Tajudin Abdul Rahman</td>
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<td></td>
<td>Managing Director, Bank Islam Malaysia Berhad</td>
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<td></td>
<td>Chairman, Association of Interest-Free Banking Institutions Malaysia/</td>
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<td>Chairman, BIMB Institute of Research and Training Sdn Bhd</td>
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<tr>
<td>9:20</td>
<td>SPECIAL ADDRESS AND OFFICIAL OPENING : ISLAMIC BANKING AND TAKAFUL IN THE NEXT MILLENNIUM - PROSPECTS AND CHALLENGES</td>
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<tr>
<td></td>
<td>YAB Dato' Seri Anwar Ibrahim</td>
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<td>Deputy Prime Minister of Malaysia</td>
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<tr>
<td>9:40</td>
<td>SPECIAL FORUM WITH DEPUTY PRIME MINISTER OF MALAYSIA</td>
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<td>Chairperson:</td>
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<td>Tan Sri Azman Hashim</td>
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<td>Chairman, AMMB Holdings Berhad</td>
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<td>10:05</td>
<td>LAUNCHING OF LABUAN IOFC INTERNET WEB SITE BY DEPUTY PRIME MINISTER OF MALAYSIA</td>
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<td>10:15</td>
<td>Morning Break</td>
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## SESSION II : ESTABLISHMENT OF ISLAMIC BANKING AND FINANCE

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<thead>
<tr>
<th>Time</th>
<th>Event</th>
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<tbody>
<tr>
<td>10:45 am</td>
<td>Session Chairperson's Opening Remarks</td>
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<td>Dato' Ahmad Tajudin Abdul Rahman</td>
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<td>Managing Director, Bank Islam Malaysia Berhad</td>
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<td>10:55</td>
<td>DIFFERENCES IN SHARIAH OPINIONS IN SOLVING ISLAMIC BANKING ISSUES - MAZHAB AND LOCALITY ISSUES</td>
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<td></td>
<td>Dr. M.A. Zaki Badawi</td>
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<td>Principal, Muslim College and Shariah Advisor to Islamic Bankers, United Kingdom</td>
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<td>11:40</td>
<td>LEGAL ISSUES IN THE IMPLEMENTATION OF ISLAMIC BANKING AND FINANCE</td>
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<td>Professor Emeritus Tan Sri Datuk Ahmed Mohamed Ibrahim</td>
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<td>Dean, Kulliyah of Law, International Islamic University Malaysia/Member, BIMB’s Shariah Supervisory Council</td>
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<td>12:20</td>
<td>PROCESS OF REGULATORY APPROXIMATION OF INTEREST-FREE BANKING BY CENTRAL BANK - NEED FOR GREATER COOPERATION</td>
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<td></td>
<td>Ajmal Ebrahim-Hameed</td>
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<td></td>
<td>Secretary-General, International Islamic Banking Commission, United Kingdom</td>
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<td>12:50</td>
<td>FORUM ON SHARIAH AND LEGAL ISSUES</td>
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<td>1:00</td>
<td>Lunch Break and Networking Session</td>
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## SESSION III : REGIONAL DEVELOPMENT OF ISLAMIC BANKING AND FINANCE

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<tr>
<th>Time</th>
<th>Event</th>
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<tbody>
<tr>
<td>2:30 pm</td>
<td>Session Chairperson’s Opening Remarks</td>
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<td>Tan Sri Azman Hashim</td>
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<td>Chairman, AMMB Holdings Berhad</td>
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<td>2:40</td>
<td>REPORT ON THE PROGRESS OF ISLAMIC BANKING WORLDWIDE</td>
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<td>Dr. Ahmad Mohammed Ali</td>
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<td>President, Islamic Development Bank, Jeddah, Saudi Arabia</td>
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<td>3:10</td>
<td>REVIEW ON THE SUCCESS OF ISLAMIC BANKING AND FINANCE PRACTICES IN MIDDLE EAST COUNTRIES</td>
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<td>His Royal Highness Amir Muhammad Al-Faysal Ali Saood (inviting)</td>
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<td></td>
<td>Chairman, The International Association of Islamic Banks, Jeddah, Saudi Arabia</td>
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<td>3:40</td>
<td>Tea Break and Networking Session</td>
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<td>4:10</td>
<td>THE ROLE OF ISLAMIC MONEY MARKET IN CREATING DYNAMIC ISLAMIC BANKING PRACTICE</td>
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<td>Dato' Ahmad Mohd Don</td>
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<td>Governor, Bank Negara Malaysia/Chairman, Labuan Offshore Financial Services Authority</td>
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<td>4:40</td>
<td>FORUM ON REGIONAL DEVELOPMENT</td>
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<td>5:00</td>
<td>End of Day 1</td>
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SESSION IV  :  FINANCING AND SECURITISATION

9.00 am  :  Session Chairperson's Opening Remarks
          Ajmal Ebrahim-Hameed
          Secretary-General, International Islamic Banking Commission, United Kingdom

9.10  :  MALAYSIAN EXPERIENCE IN ARRANGING SYNDICATED FINANCING AND FINANCING OF PRIVATISATION
        AND MEGA PROJECTS
          Haji Ariffin Abdul Aziz
          General Manager, Corporate Banking, Arab-Malaysian Merchant Bank Berhad

9.40  :  PRICING MECHANISM OF ISLAMIC FINANCING IN HARMONISING THE BENEFITS TO FUND
        CONTRIBUTORS AND FINANCING CUSTOMERS
          Nabil Nassief (Inviting)
          President & Chief Executive Officer, Faysal Islamic Bank of Bahrain, Bahrain

10.10  :  INNOVATION IN IJARAH FINANCING
          Badr Abdul Mohsin Al Mukhaizim (Inviting)
          Chairman of Board of Directors & Chief Executive Officer, Kuwait Finance House, Kuwait

10.40  :  Tea Break and Networking Session

11.10  :  THE IMPORTANCE OF ASSET AND DEBT SECURITISATION IN CREATING DYNAMIC ISLAMIC BANKING
        ENVIRONMENT
          Sheikh Salleh Abdullah Kamili
          Chairman, Dallah Al Barakah Group, Jeddah, Saudi Arabia

11.40  :  THE POTENTIAL OF DEVELOPING DERIVATIVES FROM THE PERSPECTIVE OF SHARI'AH
          Dr. Mohammad Hashim Kamali
          Professor, Kulliyah of Law, International Islamic University, Malaysia

12.10 pm  :  A SYSTEMATIC APPROACH TO INTEREST-FREE BANKING: THE EXPERIENCE OF IRAN
            Mohamad Hossain Adelli
            Iranian Ambassador to Canada (Former Governor of Central Bank of Iran)
            Ottawa, Canada

12.40  :  FORUM ON FINANCING AND SECURITISATION

1.00  :  Lunch Break and Networking Session

SESSION V  :  PROSPECTS AND CHALLENGES OF ISLAMIC BANKING

2.30 pm  :  Session Chairperson's Opening Remarks

2.40  :  THE PROSPECTS OF GLOBALISING THE DUAL BANKING PRACTICE
          Amirsham Abdul Aziz, Managing Director, Malayan Banking Berhad/
          Chairman, Association of Banks Malaysia

3.10  :  CHALLENGES IN MARKETING ISLAMIC BANKING PRODUCTS AS EXPERIENCED IN INDONESIA
          Zainul Ariffin
          President Director, Bank Muamalat, Indonesia

3.40  :  Tea Break and Networking Session

4.10  :  STRATEGIES FOR DEVELOPING ISLAMIC BANKING PRODUCTS IN WESTERN COUNTRIES
          Abdul Kader Thomas
          General Manager, United Bank of Kuwait, USA

4.40  :  FORUM ON PROSPECTS AND CHALLENGES OF ISLAMIC BANKING

5.00  :  End of Day 2.
SESSION VI : FUND MANAGEMENT

9.00 am : Session Chairperson's Opening Remarks
Tan Sri Salehuddin Muhammad (Inviting)
Chairman, Employee Provident Fund

9.10 : THE ISSUES AND PROSPECTS OF ESTABLISHING A SOUND ISLAMIC CAPITAL MARKET IN MALAYSIA
(Speaker to be advised)

9.40 : THE PROSPECTS OF ISLAMIC UNIT TRUST IN MALAYSIA
(Speaker to be advised)

10.10 : FINANCIAL INSTRUMENTS IN ISLAMIC CAPITAL MARKET
Dato' Dr. Abdul Halim Ismail
Executive Chairman, BIMB Securities Sdn Bhd

10.50 : Tea Break and Networking Session

11.20 : THE EXPERIENCE OF PILGRIMAGE FUND BOARD IN DIVERSIFYING FUND MANAGEMENT
Dato' Harun Baba (Inviting)
Chief Executive Officer, Lembaga Tabung Haji (Pilgrimage Fund Board)

11.50 : THE POTENTIAL OF OFFSHORE BANKING IN PROMOTING ISLAMIC FINANCIAL INSTRUMENTS
Dr. Awang Adek Hussin
Director General, Labuan Offshore Financial Services Authority

12.20 : FORUM ON FUND MANAGEMENT

12.50 : Lunch Break and Networking Session

SESSION VII : OTHER FINANCIAL INVESTMENTS

2.20 pm : Session Chairperson's Opening Remarks
Dr. Awang Adek Hussin
Director General, Labuan Offshore Financial Services Authority

2.30 : THE CROSS-SELLING OF TAKAFUL PRODUCTS IN BANKING AND FINANCIAL ACTIVITIES
Mohd Fadzil Yusof
Chief Executive Officer, Syarikat Takaful Malaysia Berhad

3.00 : THE MARKET NICHE OF ISLAMIC BANKING PRODUCTS FROM CLIENT'S PERSPECTIVE
Norman Ch'ng
Managing Director, Timber Master Industries Berhad

3.20 : Giles Craven
Finance Director
Shell Malaysia Limited

3.40 : Tea Break and Networking Session

4.00 : PRIME FORUM - PROSPECTS AND FUTURE OF ISLAMIC BANKING AND FINANCE WORLDWIDE
Chairperson : Abdul Kader Thomas
General Manager, United Bank of Kuwait, USA

Panelist :
1. Dr. Ahmad Mohammad Ali
   President, Islamic Development Bank, Jeddah, Saudi Arabia
2. Dr. Awang Adek Hussin
   Director General, Labuan Offshore Financial Services Authority
3. Ajmal Ebrahim - Hameed
   Secretary-General, International Islamic Banking Commission, United Kingdom

5.00 : End of Summit