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The Global Islamic Economy Summit (GIES) has become an important annual calendar event that fast-tracks the progress of the Islamic economy worldwide. At its meetings and activations in 2018, under the theme ‘A Shared Future’, key stakeholders of the Islamic economy came together to develop international partnerships to contribute to economic growth, financial security, and social stability.

The Summit took place against a backdrop of rapid change driven by modern technological trends, such as digitalisation, blockchain, digital currencies, and artificial intelligence, as well as the wider global economic transformation. These trends have had a significant impact on shifting the dynamics of Islamic economy worldwide and creating new challenges and opportunities in the domain. The Summit provided an ideal platform to deal with these variables at the international level and turn the challenges into opportunities.

The UAE has launched several regulatory as well as trade and industry support initiatives that have positioned it as the global leader in five out of six Islamic economy sectors. The country has witnessed a six per cent compound annual growth rate (CAGR) in its Global Islamic Economy Indicator score since 2014. In 2018, it took important steps towards cementing its prominent status and creating a trade-driven ecosystem to support the world's need for more sustainable economies.

The contribution of Islamic economy sectors to Dubai’s GDP increased from 7.6 per cent in 2014 to 8.3 per cent in 2016 to reach AED32.8 billion. This contribution complements the sustainable development roadmap adopted by the UAE in shaping a post-oil economy and reflects the country’s keenness to strengthen productive sectors that stimulate responsible investments and encourage entrepreneurship and innovation.

The growing global confidence in Dubai and the UAE underscores the potential for further progress, particularly in the Islamic economy, given the trust of international partners in the regulatory policies and standards that are poised to become the key drivers of the global economy in the future. In line with the pioneering vision of His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and Ruler of Dubai, and with the sustained follow-up of His Highness Sheikh Hamdan bin Mohammed bin Rashid Al Maktoum, Crown Prince of Dubai, and Chairman of The Executive Council of Dubai, the Dubai Capital of Islamic Economy initiative is enhancing the future of the global economy in the aftermath of the global financial crisis of 2008.

Dubai Islamic Economy Development Centre (DIEDC) recognises the importance of building on the UAE’s achievements to date that have contributed to its leading global rankings in most sectors of the Islamic economy. DIEDC will continue to collaborate with relevant stakeholders to create mechanisms to accelerate the growth of the Islamic economy, particularly Islamic finance – a sector whose value is expected to reach US$3.8 trillion by 2022.

The Centre seeks to leverage the flexibility of the Islamic economy to keep up with the latest technological advancements and invest in smart solutions to serve its noble goals – boosting financial and social stability, improving quality of life, and promoting equality.

DIEDC also seeks to partner and liaise with Islamic banking institutions to provide mentorship, guidance and focus group discussions to leverage the flexibility of the Islamic economy through keeping up with the latest technological advancements.

Empowering Islamic fintech entrepreneurs is a priority for DIEDC as part of its endeavours towards boosting financial and social stability, improving quality of life, and promoting equality. The Centre’s strategic partnership with DIFC’s Fintech Hive sets a strong example, where four Islamic fintech and takaful start-ups, out of 30, are participating in the accelerator programme since 2017.

GIES 2018 highlighted the perception of Dubai and the wider UAE on the future of the Islamic economy, in addition to working with local, regional, and global stakeholders to establish a future agenda for the growth of the Islamic economy. The dominant position the country has achieved since the launch of the Dubai Capital of Islamic Economy initiative and its placement in the top ranks in global halal indices are set to drive its readiness to achieve further growth, encourage innovation, and forge synergies between investors, producers, and decision-makers.

Believe that shaping an enhanced national knowledge capital is the basis for ensuring the progress of the Islamic economic system. This capital must comprise innovative young minds keen to seize opportunities to prove their capabilities and contribute to the UAE’s development journey.

We look forward to the discussions and events of the fourth edition of GIES. We are entering an important phase of economic transformation that will change the mechanisms of commercial and industrial activities, and have a significant impact on global partnerships.

His Excellency Sultan bin Saeed Al Mansouri
Minister of Economy and Chairman of DIEDC
DAY 1

GLOBAL ISLAMIC ECONOMY SUMMIT

OCTOBER 30, 2018
In his welcoming speech, Abdulla Mohammed Al Awar, CEO of Dubai Islamic Economy Development Centre (DIEDC), expressed confidence in the Islamic economy and its future performance. With a value of nearly US$2.1 trillion in 2017, the Islamic economy is evidently becoming an essential contributor to the global economy, he said. As it continues to register robust growth, it could potentially lead a sustainable global economy. By 2023, the size of the Islamic economy worldwide is expected to exceed US$3 trillion, said Al Awar, citing the State of the Global Islamic Economy Report 2018/19.

These forecasts are fitting given the growth that the Islamic economy is witnessing, largely due to the US$747 million in private equity and venture capital investments made over the last three years. Furthermore, trade in Islamic economy lifestyle products is soaring, with imports valued at US$271.8 billion and exports totalling US$210.5 billion in 2017. Along with the increasing momentum of Islamic economy activities and the growth of Muslim populations around the world, there are other factors supporting this remarkable progress.

Firstly, the potential funds that are accessible for investment are enormous. According to Al Awar, as of June 2018, the top 20 sovereign wealth funds in the member countries of the Organisation of Islamic Cooperation registered assets totalling US$3.2 trillion. These funds allow the member states to play a transformational role in creating multinational entities that can capitalise on the opportunities in the Islamic economy.

Sovereign wealth funds, particularly those in the GCC region, have already played a pivotal role in developing scaled domestic food entities. The size of the halal food sector and the availability of sovereign wealth funds represent an opportunity to further boost investments. It’s also important for private equity investors to consider the Muslim demographic. With a record amount of unutilised capital, estimated at US$1.7 trillion, private equity firms need to direct their attention to opportunities within the Islamic economy, said Al Awar.

Secondly, innovative is imperative. The world has seen the growing decentralisation and transparency of secure data transfer and storage thanks to blockchain, which promises to pave the way for the best possible application of halal standards. This technology can ensure sharia-compliance at every stage of the production, and with the support of regulators, can raise the market perception of halal standards relative to other certifications within the food industry.

In 2018, several promising innovations emerged, such as ‘HalalChain’, a Dubai-based initiative that developed a technology to track each step of the supply chain, replacing the need for inspectors. Singapore-based ‘MyOutlets’ also launched a US$86 million initial coin offering for a blockchain-based coin, with the goal of developing a B2B and B2C digital halal marketplace, said Al Awar.

Islamic finance has clearly embraced blockchain and cryptocurrencies for their role in reducing the onerous transaction structuring and verification processes. Virtual Reality, Augmented Reality, and the Internet of Things can also bring more sustainable growth to the Islamic lifestyle sectors, providing Muslim travellers and halal media enthusiasts with accurate information that can improve their experience.

Thirdly, the international community is currently seeking to make progress in the UN’s Sustainable Development Goals (SDGs). These goals are a great reference point for Islamic economy sectors to identify priority beneficiaries, especially as they cover several of the related “maqasid al-shariah” concerns and comply with Islamic economy principles. Not only that, but the Islamic economy is well-suited to contribute to the achievement of the SDGs. This would significantly elevate the Islamic economy’s standing whilst ensuring a greater commitment to those goals.
Plenary Session 1: Designing a shared future in the age of disruption and divergence

Agenda

Technological innovation is both desirable and essential, but it also complicates economic frameworks and policies upon which governments have long depended. Indeed, new technologies are forcing change upon societies and require businesses and communities to swiftly adapt.

As we enter the next industrial revolution, how will Muslim countries capitalize on technologies such as blockchain and artificial intelligence to propel socioeconomic growth? How will they maintain their status while also embracing the sharing, or collaborative, economy?

This high-level discussion brought together government leaders and policymakers from the biggest Islamic economies for a critical dialogue on the past, present and future. The panellists shared their experiences in developing robust Islamic economies and offered their vision for a resilient future.

Summary Points

- Bureaucracy is a major obstacle to innovation and technological progress
- Countries with open, progressive governments that embrace new technologies and act as testbeds for new ideas will benefit the most from innovation
- Today’s education systems are outdated and are not providing students with the skills they need for the jobs of the future
- Companies that serve markets with young populations have the advantage of being able to achieve faster adoption of new technologies

Recommendations

- Governments, local and national, must imagine the kind of jobs that will be available in 20 years and start educating for them now. Education systems must be updated so they can face the challenge of innovation
- Special economic zones, technology parks, and innovation-dedicated government departments are some of the ways in which cities can nurture innovation and create economic opportunities
- Innovation always carries risks, but governments should focus on the benefits that could be achieved, rather than allow a fear of failure to deter them from embracing innovation

Keynote Speech

In his opening keynote address, Najeeb Mohammed Al-Ali, Executive Director of Dubai’s Expo 2020 Bureau, emphasized the need to embrace innovation in the face of economic disruption and divergence. “Depleting natural resources, population growth, the deployment of 5G technology, the rise of machines and AI are but a few of the factors that will continue to disrupt our lives, industries and economies. Navigating this new landscape will require creative solutions”, he said.

Al-Ali noted that many inventions which have altered the course of human history debuted at World Expos. From x-ray machines to fax machines, touchscreen, television, mobile phones and even the Eiffel Tower, which was an engineering masterpiece of its time, many world-leading innovations have been unveiled at Expos.

“World Expos are a showcase of the best that the world has to offer in creativity and innovation. The global challenges facing our world will in one way or another affect us all as individuals, economies and nations. Our future is a shared one, and that is why at Expo 2020 Dubai we believe collaboration is so important,” said Al-Ali.

He said Expo 2020 will bring together more than 200 countries as well as international corporations and non-government organisations to connect minds and create the future.

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Panel Discussion

The first plenary session of the GIES 2018 welcomed four high-level speakers, who shared their perspectives on how to navigate technological disruption and capitalize on innovation to build an inclusive and resilient future.

Ayman Amin Sejiny, CEO of the Islamic Corporation for the Development of the Private Sector, said it was fortunate his organisation operates in regions with predominantly young populations because young people naturally welcome new technologies. “We operate in 54 countries. Maybe they have financial challenges, but they implement technology more easily than others,” said Sejiny.

Yet young people may be unready for the jobs of the future because education systems have become outdated, said H.E. Chiara Appendino, Mayor of Turin, Italy. Countries should have education systems that can face the challenges technological innovation creates, she advised.

“Children are getting educated for jobs that in about 10 or 15 years will not exist. This does not mean that there will be less jobs; they will just be different. As local governments, we have to imagine the kind of jobs that will be around in 20 years and start educating for them now,” said Appendino.

The panelists agreed that bureaucracy remains an impediment to technological advancement in many countries. Sejiny said that while government involvement in technological disruption was essential, authorities should not overstep the mark. “We need to keep pace from a government perspective. The government needs to get involved from the start and know when to step back,” he said.

Taliya Minullina, Chief Executive of Russia’s Tatarstan Investment Development Agency, similarly noted that when it comes to innovation, governments should be less bureaucratic. “The problem we face across the world is regulation. Almost every country is not ready for the technological progress happening today.”

Russia’s Muslim region of Tatarstan is home to Innopolis, a high-tech city founded in late 2012. Located in the suburbs of the regional capital, Kazan, the city comprises an IT university specializing in disciplines such as robotics, software engineering, cybersecurity and blockchain, plus a Special Economic Zone and accommodation.

Also known as Russia’s Silicon Valley, Innopolis is where the Russian tech giant Yandex introduced Europe’s first driverless taxi in August 2018. The project was made possible thanks to federal support and the Tatarstan president Rustam Minnikhanov, who is receptive to new ideas, according to Minullina.

Meanwhile, Mayor Appendino noted that innovation can be both a risk and an opportunity. Governments can choose to transform that risk into opportunity or not venture into something at all. In any case, there will always be a risk of failure, she said.

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HE Sultan bin Saeed Al Mansoori, Minister of Economy in the UAE, focused his address on new developments that are rapidly changing the world, including digitization, blockchain, digital currencies, and artificial intelligence. These technological transformations, which are influencing the potential of the Islamic economy, are creating both opportunities and challenges. The GIES has undoubtedly become the largest and most internationally recognized platform to deal with these changes and to produce results and initiatives that can transform challenges into opportunities, he said. Furthermore, the fourth edition of the summit comes at a time when the Islamic economy was witnessing increasing importance locally and internationally.

The contribution of the Islamic economy to Dubai’s gross domestic product increased from 7.6 percent in 2014 to 8.3 percent in 2016, registering a growth rate of 14 percent, to reach a value of nearly Dh33 billion, according to Dubai Statistics Centre. The growing confidence in Dubai and the UAE at the local and international levels confirms the potential for further progress in the national economy in general, and in the Islamic economy in particular.

“Our ambitious government plans are not only focused on accelerating growth in local sectors, but also on shaping a global vision to unite international efforts, advance people’s lives, and realize the aspirations of new generations for a more stable and just future,” Al Mansoori said.

Dubai’s initiative to become the capital of the global Islamic economy has seen growing momentum since its launch in 2013. Furthermore, the Dubai Islamic Economic Development Center has come a long way in implementing various initiatives under the refreshed Islamic economy strategy for 2017-2021. This strategy is in line with the wise leadership’s drive to move forward to achieve the objectives of the UAE National Vision 2021.

Al Mansoori said that the Center will continue to work with the best institutions and stakeholders to devise mechanisms to accelerate the growth of Islamic economic sectors, especially Islamic finance, where assets are expected to reach about USD 3.8 trillion by 2023.

Finally, the progress of the Islamic economy lies in the national intellectual capital, which is built with the support of the younger generation. “If we want to sustain the growth of the Islamic economy, we must invest in youth skills and new generations so that they can lead the Islamic economy towards prosperity,” Al Mansoori concluded.
H.E. Rustam Minnikhanov, President of Tatarstan, began his speech by highlighting his role as chairman of the strategic vision group “Russia — Islamic World”. The group consists of 56 representatives from 28 countries around the world. One of the main tasks of the group is to help establish and strengthen communication between Russia and the Islamic world by promoting economic cooperation and interaction between the youth and public organizations.

“Russia has a long history of cooperation with the Islamic world at the political, economic and educational levels. It is very important that our country maintains this tradition and to expand economic relations at the regional level,” said Minnikhanov.

He cautioned that raw materials were frequently exposed to price fluctuations in the oil and gas market. The only way out was to move away from the dependence on crude oil sales and to develop high-tech industries. For that, we need financial resources.

“There are opportunities for growth in several countries; among the most important of them is the UAE. The Islamic finance sector is well developed here, and we in the Republic of Tatarstan, together with Russian federal institutions, are also working in this direction,” said Minnikhanov.

As a multi-national country, Russia has experience of positive interaction between representatives of different nationalities and ethnic groups. As such, the Russian Federation seeks to build a civilization that links East and West. Moreover, Islam is an important component of Russian culture, and the Republic of Tatarstan is one of the most advanced entities in Russia where a large Muslim population is concentrated.

“We are the forefront of interaction with foreign companies and investors, and we maintain good relations with many Islamic countries. We have successfully cooperated with the Organisation of Islamic Cooperation and the Islamic Development Bank, and we will continue to cooperate with the DIEDC to further develop the halal and Islamic lifestyle sectors,” concluded Minnikhanov.
The Islamic Economy Award was launched in 2013 under the patronage of HH Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and Ruler of Dubai, and directed by HH Sheikh Hamdan bin Mohammed bin Rashid Al Maktoum, Crown Prince of Dubai and Chairman of the Executive Council.

Now in its sixth year, the annual award recognises innovative world-class business initiatives and ideas that have contributed to the social and economic welfare of the Muslim population. These initiatives and ideas must prove to enhance bilateral trade and investment relations between Islamic nations and forge closer economic ties with the rest of the world towards fostering prosperity, harmony and well-being for all. In addition, a ‘Lifetime Achievement Award’ recognises an outstanding and influential business leader who demonstrates inspired leadership and who has made a significant impact on the Islamic economy.

Winners:

**AKHUWAT MICROFINANCE**

Akhuwat is a non-profit Islamic Microfinance institution that aims to alleviate poverty by providing interest-free loans. Since 2001, it has disbursed PKR 67 Billion (USD 670 Million) to 2.9 Million families with a recovery rate of 99.95%. Today, Akhuwat has a branch network of 805 units across Pakistan with presence in 400 cities and towns.

Akhuwat envisions a poverty-free society built on the extraordinary life journey of its founder, Musa Lim and his family. Musa Lim was born in a refugee camp in the border of Cambodia and Thailand in the year 1980. Between 1975 and 1979 the whole country was forced into agricultural slavery by the Pol Pot Dictatorial regime and Musa’s parents were enslaved for 4 years before migrating to a refugee camp at the border of Thailand where they stayed 2 years before being taken by the Red Cross to France as political refugees.

In 2014, he formed Ajwa Plantation Capital in Cambodia and brought his first investor from UK in the business for a first hectare of black pepper plantation. After persistent hard work, and on-boarding several investors, by 2018, they purchased 20 hectares of land in the province of Mondulkiri, for the launch of their new plantation project in coffee, avocado, durian and macadamia.

**AJWA PLANTATION**

Ajwa Plantation’s biography is intrinsically linked with the extraordinary life journey of its founder, Musa Lim and his family. Musa Lim was born in a refugee camp in the border of Cambodia and Thailand in the year 1980. Between 1975 and 1979 the whole country was forced into agricultural slavery by the Pol Pot Dictatorial regime and Musa’s parents were enslaved for 4 years before migrating to a refugee camp at the border of Thailand where they stayed 2 years before being taken by the Red Cross to France as political refugees.

In July 2017, Bitsmedia and Muslim Pro were acquired by Affin Hwang Asset Management (Malaysia) and CMIA (Singapore).

**MUSLIM PRO**

Bitsmedia is a Singapore based mobile application Development Company founded in 2009. Bitsmedia develops and publishes Muslim Pro, the world leading Muslim mobile application (60 million downloads, 12+ million Monthly Active Users and 2+ million Daily Active Users). In July 2017, Bitsmedia and Muslim Pro were acquired by Affin Hwang Asset Management (Malaysia) and CMIA (Singapore).

**HOLIDAY BOSNIA**

Holiday Bosnia is the leading tour operator and destination management company that specialises in Bosnia – Herzegovina. With headquarters in Dubai, and offices in Sarajevo and London, the company has been delivering the full range of travel and tourism services since 2013 and were the first operators in the Gulf region that offered packages for Bosnia – Herzegovina.

However, Holiday Bosnia is much more than this. It is also a social enterprise that was established with the aim of combining Islamic values of social development with modern travel. As a result, the company has been bringing travelers from around the world to Bosnia to combine tourist experiences with opportunities to engage with the local communities, help the needy and build peace. All Holiday Bosnia profits go towards initiatives that support the local communities in Bosnia, a country that is still struggling to recover from devastating conflict over 25 years ago.

Judging Panel:

- **Professor Jonathan A.J. Wilson PhD**
  Editor-in-Chief, Journal of Islamic Marketing, UK

- **Dr. Daud Bakr**
  Chairman, Shariah Advisory Council, Bank Negara Malaysia & Securities Commission, Malaysia

- **Rafi-uddin Shikoh**
  CEO, Dinar Standards, UAE

- **H.E. Essa Abdulla Al Ghurair**
  Chairman, Judges Panel, Anbaar and Minor Affairs Foundation, UAE

- **Hassan Bayraktar Dr.**
  Managing Director, RAQAM Consultancy, JLT – Regulatory Affairs & Quality Assurance Management for Middle East, Turkey & Africa, UAE

- **Dr. Abdullah Gurban Turkistani**
  Dean, Islamic Economics Institute, KSA

- **Dr. Sayd Farook**
  Adviser to the Director General, The Executive Office of His Highness Sheikh Mohammed bin Rashid Al Maktoum, UAE

- **H.E. Essa Abdulla Al Ghurair**
  Chairman, Judges Panel, Anbaar and Minor Affairs Foundation, UAE

- **Dr. Abdullah Qurban Turkistani**
  Dean, Islamic Economics Institute, KSA

- **Rafi-uddin Shikoh**
  CEO, Dinar Standards, UAE

- **Hassan Bayraktar Dr.**
  Managing Director, RAQAM Consultancy, JLT – Regulatory Affairs & Quality Assurance Management for Middle East, Turkey & Africa, UAE
The International Institute of Islamic Waqf was established in Malaysia in 2008 as a non-profit organization specialized in Waqf sector with a purpose of enhancing the sector by providing a wide range of international initiatives, consultancy services and courses to help improve waqf with world class standards. The institute was the first to take the initiative to specialize in waqf by addressing its issues through conducting conferences, workshops and seminars. IIWIW recognizes the impact and the importance of the waqf sector in the structure of a healthy society as it is one of the greatest initiatives in changing people’s lives and enhancing their livelihood.

GroFin was established in 2004 by an African serial entrepreneur, from the RAPS group of companies that had been investing in SMEs since 1999. GroFin is a pioneering development financier specializing in financing and supporting small and growing businesses (SGBs) across Africa and the Middle East. Operating in the development finance market, our vision is to enable committed entrepreneurs and local business people who have viable businesses or ideas to access the funding and support they require to succeed. In doing so, they drive economic and social empowerment in their societies. We combine medium-term loan/capital and specialised business support to grow emerging market enterprises. We believe in a 'support beyond finance' approach where we use our wealth of business knowledge and strategic finance to help our clients achieve their vision. From the outset, our focus is to provide not only finance to help small businesses to develop but also integrated business support to entrepreneurs.

INCEIF has been mandated to develop human capital and knowledge leadership for the global Islamic finance industry. Apart from its academic programmes, Masters of Islamic Finance Practice, MSc in Islamic Finance and PhD in Islamic Finance, INCEIF also focuses on executive education and industry-focused applied research in line with its vision to be the thought leader in Islamic finance. Our syllabus is structured with inputs from industry players to bridge the gap between academic knowledge and industry experience. Our faculty members have a combined wealth of experience and diversity in the Islamic finance arena – providing students with strong guidance for professional development. Since 2015, INCEIF’s research has been ranked 1st in Malaysia amongst the higher education institutions in the Research Papers in Economics (RePec) rankings. We are also the only institution to have the research of five professors recognised by RePec, among the top 30 academics in Malaysia. Within the Financial Economics & Finance Department category, defined by RePec, we are ranked 30th in the world.

Ruh is an award-winning London-born British artist and designer who has been continuously evolving his work across multiple disciplines for almost two decades. From a fine art background, Ruh studied Graphic Design at the prestigious Central St. Martins College of Art & Design. His work has ranged from traditional painting to digital interactive animations and videos. In 2003 he pursued a lifelong dream of learning the traditional art of penmanship, Arabic calligraphy, in Egypt for several years. His study placed him with some of the leading teachers of this age and added a new dimension to his work. He is known for developing his own calligraphic script styles and innovating with Arabic typography. His Arabic scripts are labeled ‘British Arabic scripts’ since they are inspired by his upbringing and influences in the UK and Europe. His work is published in several leading design books and magazines, including Graphis as a ‘Master of Typography’. He has also received multiple awards, including the Alhambra Award for Excellence in the Arts in 2018.

H.E Rustam Minnikhanov received the ‘Lifetime Achievement Award’ in acknowledgement of his valuable contribution to the Global Islamic Economy.
Plenary Session 2:
The Islamic Economy in a distributed, digitalized and decentralized world:
Blockchains, cryptocurrencies, marketplaces and digital identities

Agenda
The global shift towards distributed, decentralized platforms is having a major impact on every sector of the economy. UAE start-up Onegram has already launched the first sharia-compliant cryptocurrency. Malaysia’s Hada DBank, the world’s first blockchain-powered Islamic Bank, began its token sale in 2018, and Emirates Islamic Bank launched ‘Cheque Chain’ in 2017, an initiative that integrates blockchain into cheques to minimize fraud.

Could the Islamic Economy leap ahead of non-Islamic economies to become the biggest adopter of blockchains, cryptocurrencies, online marketplaces and digital identities?

Four of the greatest minds from around the world explored how the Islamic Economy is responding to technological disruption.

Summary Points
• The use of blockchain technology could transform supply chains, increasing transparency, trust, and the speed of doing business
• Blockchain aligns well with sharia principles because it allows users to know the underlying assets backing a transaction and can significantly reduce risk
• Banks must digitalize their services, not products, and for that they should work with fintech companies and embrace new technologies such as blockchain
• Using blockchain offers opportunities to better serve the unbanked

Recommendations
• Retailers should consider blockchain because it can provide greater visibility on the products they sell and in turn, attract more customers
• Regulators should consider blockchain as it can enable them to trace back problematic goods to their origins within seconds
• When it comes to money transfers, banks should act like WhatsApp – allow users to send and receive money with the same level of ease as exchanging messages with a friend.
• Banks can take lessons from Amazon by suggesting new products based on a customer’s experience and purchase history

Panel Discussion
The technological disruption the world is witnessing today promises to enable significant improvements in the way we do business. Blockchain is especially exciting because it could transform supply chains, said Anthony Butler, Chief Technology Officer for IBM Blockchain Services, Middle East and Africa.

“If you look at the way we do business today, every company participates as part of a broader ecosystem and maintains their own records,” he said.

“As assets move back and forth through that supply chain, messages are being exchanged. The problem with this system is that it’s inefficient because there is a lack of trust, it’s expensive because there is such s dependence on paper, and it’s vulnerable because if one of the participants is corrupt, it undermines the integrity of the whole supply chain.”

SUPPLY CHAIN GAPS
Blockchain offers an alternative. The technology is often described as a distributed ledger because everyone in the supply chain can view the same ledger at the same time, with trust and confidence, and there is no longer a need to exchange communications.

“My message to you today is that we can build the internet of value, and there is an opportunity for Islamic finance to take the lead”

Dilip Rao, Global Head of Infrastructure Innovation, Ripple, USA

Moreover, an asset written into the blockchain can be traced back to its inception, so a diamond, for example, could be sourced to its original mine. Such characteristics bring benefits related to time, cost and risk.
The biggest benefit, however, is increased trust, because users can find out where a product comes from and whether it uses the ingredients or components it claims to. This would be an advantage to numerous industries, including the halal food supply chain.

“There are many issues in the supply chain. For example, some years ago, in the United States, there was a problem with contamination in the spinach industry. The way the industry responds to food contamination is effectively by punishing the entire industry. It removes all the products from the all stores and (takes them) out of circulation. It took 67 years for the spinach industry to recover from the damage, all because of one supplier and one batch,” explained Butler.

Besides the food industry, blockchain can benefit myriad other sectors. For instance, it can give retailers more confidence about the products they sell, and can enable regulators to get real-time visibility into a supply chain whenever they sell, and can enable regulators to get real-time visibility into a supply chain whenever they need to investigate a product.

**CROSS-BORDER PAYMENTS**

Meanwhile, Dilip Rao, Global Head of Infrastructure Innovation at Ripple, a blockchain pioneer, in the said his company is working on creating “the internet of value” to make it as easy, fast and cheap to move value around the world as it is to move information.

“Our focus initially is on cross-border payments, because that’s where there is restriction, and in this part of the world there is a huge requirement for cross-border transactions.” Ripple has signed up almost 200 institutions worldwide, many of which are in the Middle East. This includes three banks in Saudi Arabia, two in Kuwait, one in Bahrain, one in Oman, and a couple in the UAE, where the U.S. company will establish an office before the end of 2018.

“If you were to send money out of the UAE, it can be a costly exercise depending on where you’re sending it to. In some parts of the world, such as South Asia, banks have given up on using SWIFT but they’re all [using] proprietary technologies to move money quickly and cheaply, to meet the needs of customers in these high-volume corridors.”

Sending money to blue-collar workers, in small amounts such as US$ 200, usually incurs fees as high as US$ 10. This hurts the people who can afford it the least. The existing infrastructure is unable to cope with low-value, high-volume transactions. Thus, there’s a need for new infrastructure that can support this type of digital economy, explained Rao. To this end, Ripple is working with banks to develop a solution that would meet the compliance requirements of regulators and provide a high-speed, real-time cross-border payment platform.

According to Rao, blockchain aligns well with sharia principles because it enables users to know the underlying assets involved in a transaction, makes contractual roles and responsibilities clearer, and reduces overall risk.

Blockchain also provides opportunities to more efficiently and effectively reach the unbanked. For instance, when an institution manages an asset worth US$1 million, it could have 1 million people co-owning that asset rather than just one millionaire. “My message to you today is that we can build the internet of value, and there is an opportunity for Islamic finance to take the lead,” said Rao.

**DIGITIZING BANKS**

Speaking from a banking perspective, Serhat Yildirim, Chief Digital Officer at Abu Dhabi Islamic Bank, said about 30% of the world’s population is now connected by smartphones, representing some 2.5 billion people. Smartphone adoption is changing the way we interact with the brands, banks and industries around us.

Banks have already responded to technological disruptions over the years, starting with ATMs, phone banking and web-based banking, followed by SMS banking and mobile apps. Now they are looking at blockchain, AI and process digitalisation.

“We need to change and digitize our services. It’s not the products that need changing; it’s the services. As a bank we have to act like WhatsApp - sending and receiving money like sharing a message with a friend. Amazon suggests new products based on a customer’s experience. Banks should do the same,” said Yildirim.

Coming from a conventional banking background, he said it was easy to change the technology, but hard to change the mindset. In Islamic banking, however, the prevailing mindset already expects banking to be transparent and ethical.

“At ADIB, we have initiated a top-down approach to transform the organisation to improve connectivity and automate processes, and to compete at another level with conventional banks. There are things we can do, we know our capacity; but we also need fintechs and vendors to help us,” said Yildirim.

**We need to change and digitize our services. It’s not the products that need changing; it’s the services**

Serhat Yildirim, Chief Digital Officer, Abu Dhabi Islamic Bank, UAE
Plenary Session 3:
One belt, one road – how might we harness the silk road for the Islamic Economy?

Agenda
Chinese President Xi Jinping launched the “One Belt, One Road” initiative in 2013 to improve connectivity and cooperation between Eurasian countries. The initiative, which could potentially affect 65 nations, involves infrastructure projects to create two trade routes: an overland route connecting Europe and the Middle East to China by way of Central Asia, and a maritime route that connects China, South East Asia, India and Africa.

After this ambitious strategy was announced, many Muslim countries pledged their support for it. Relations between China and what is now known as the Muslim world are older than Islam itself, with trade going back more than 2,500 years through the ancient Silk Road.

Today, China is highly dependent upon oil and gas imports, primarily from the Arabian Gulf and Africa, which are carried mainly by tankers along established sea routes. Securing access to energy through One Belt, One Road – now commonly known as the Belt and Road Initiative (BRI) - is therefore key to China’s economic development strategy. Moreover, the geographic position of Muslim countries along the belt and road means they will be crucial to the success of this project.

This session shed light on the Muslim world’s important role in One Belt, One Road. What are the likely implications for Muslim countries and how can they benefit from it? Could the initiative boost the Islamic food market and lead to cheaper products for consumers? What role will Islamic finance play? What are the biggest challenges in realising Muslim countries’ infrastructure projects related to the initiative? And what is being done to improve the “understanding between the peoples of China and the Middle East”, which is one of the five priorities of One Belt, One Road?

Summary Points
• 65% of the global population and 40% of the world’s GDP is within Belt and Road territory
• The sheer scale is so large no one government can single-handedly compete to complete this initiative
• Belt and Road examines the relationship between Humanity and God and Nature
• The Belt and Road Initiative is about geo-economics and not about geo-politics

Recommendations
• There is a tremendous opportunity for Islamic finance to play a lead role in BRI because among the 65 countries involved in this project, nearly 30 countries have a predominantly Muslim population
• Realising the full potential of BRI will require public-private partnerships, and gauging its success will include measuring economic development as well as considering the physical infrastructure built
• This initiative is about “Inclusive Globalization” – it’s not just a trade route, but is also a people-to-people exchange platform

Panel Discussion
This session discussed the incredible opportunities, as well as the challenges, that One Belt, One Road provides the 65 nations involved and also debated how to harness the New Silk Road for the Islamic Economy.

Professor Baydoun, Vice Chancellor of Academic Affairs, Hamdan Bin Mohammed Smart University, Dubai, spoke about the importance of the new Silk Road and how the project is integral to China’s economic development plan. It helps China increase trade between 65 countries and its biggest advantage is that it “brings China closer to the World”, he said.

THE ISSUE OF CONNECTIVITY
Professor Wang Yiwei, Director, Institute of International Affairs, Center for European Studies, Renmin University, China, discussed the importance of the initiative for China, the importance of financial and political connectivity for all countries involved and the critical role of Dubai as a hub for Africa and the Middle East.

Dr. Adnan Chilwan, Group Chief Executive Officer, Dubai Islamic Bank, UAE, highlighted that a large chunk of global GDP comes from countries involved in the initiative, and so has created a huge opportunity for Islamic banking and the broader financial sector. He said public-private partnerships would be required and the outcome of the initiative is not just via the medium of “infrastructure but into economic development as well”.

The outcome of the initiative is not just via the medium of infrastructure but into economic development as well
Professor Wang said the focus must be on how to bring this initiative to “Inclusive Globalization” and that it’s not simply a trade route but also a people-to-people exchange platform.

Dr. Chilwan spoke about the funding strategies for One Belt, One Road, Islamic Finance has the opportunity to play a lead role because many of the nations involved are predominantly Muslim “and they have a tendency to lean towards Islamic Banking.”

About US$250 Billion is needed to fund One Belt, One Road projects
Professor Wang Yiwei, Director, Institute of International Affairs, Center for European Studies, Renmin University, China

“About US$250 Billion is needed to fund One Belt, One Road projects” said, Professor Wang. He discussed how to ensure there were adequate funds available and also stressed that the attraction of Islamic Finance is not just in providing funding, but also to its investment mentality and what stood out most is the sector’s focus on sustainable development.

THE ROLE OF THE UAE
Dr. Chilwan spoke about how Dubai and the UAE can support One Belt, One Road. In the first half of 2018, over US$1 Billion worth of trade was conducted between China and the UAE. Ports operator DP World launched an exclusive Belt and Road Dubai Station, which will integrate logistics, warehousing, e-commerce, circulation processing, and distribution display services through an electronic platform that enables trade and business transactions between the two countries. The strategic location of Dubai makes it the ideal place for a logistics hub. There are over 4,000 Chinese companies operating in the UAE and this strengthens its case further. One Belt, One Road is all about the “Globalization of Civilization”, said Dr. Chilwan.

Professor Wang said the initiative is about “building a green, healthy and intelligent Silk Route”, from focusing on reducing CO2 emissions to finding alternatives to fossil fuels, the focus must be on solving problems “holistically and systematically”.

Professor Wang said: “The Belt and Road project is a harmonious process, cutting across every culture and part of the world which examines the relationship between Man-God-Nature. The Chinese civilization is a relationship between Man and Man. The Western approach is about Man and Nature. Islamic civilization is a relationship between Man and God. Each of these civilisations are working amicably with each other. The initiative is about geo-economics and not geo-politics. We are not just making a road, we are integrating the economic development of all the nations in the initiative.”

Globalization of Civilization
Dr. Adnan Chilwan, Group CEO, Dubai Islamic Bank, UAE

In closing, Professor Baydoun said each nation must step up and play a part in realising the potential of One Belt, One Road. Dr. Chilwan focused on the actions required to activate all the trade corridors, especially the African corridor.

The Belt and Road project is a harmonious process, cutting across every culture and part of the world which examines the relationship between Man-God-Nature.
Professor Wang Yiwei, Director, Institute of International Affairs, Center for European Studies, Renmin University, China

He closed the session by noting “hindsight is always a luxury” and that it’s not only Islamic Finance, but all other sectors, that are a part of the initiative.
Islamic Creative Economy Competition

Dubai Islamic Economy Development Centre (DIEDC) and Dubai Culture and Arts Authority are hosting the Islamic Creative Economy Competition - an international competition for innovative entrepreneurs with businesses in the Islamic Creative Economy.

The ICE Competition is the first initiative by the Islamic Creative Economy Foundation to highlight bold start-ups and early-stage SMEs striving to redefine the nexus of culture, commerce, and technology. It is open to anyone who finds inspiration in Islamic Heritage or Culture and defends a business idea within the Creative Economy sectors: Design & Fashion, Visual Arts, Architecture and Gardens, Islamic Heritage, Written media and Arabic language, Media, information & communication, Digital Art, Performing Arts.

The ICE Competition gathered a network of 36 partners and featured the Ministry of Culture, the Indonesia Agency for the Creative Economy (BEKRAF), the British Council, NESTA UK, UNIDO ITPO Bahrain and the City of Torino.

Through the global nominating partner network, the ICE Competition received 126 startup nominations from 23 countries. Ten entrepreneurs from ten countries were shortlisted to pitch at the Global Islamic Economy Summit 2018.

Top 10 Finalists

- Ameera Amir
  Founder Weyakum & Lahum
  UAE
- Glen Mehn
  Head of Development Innovation, NESTA UK
- Moustafa Fahour
  Founder Islamic Museum of Australia, UAE
- Ali Mazraeh
  Founder & CEO of Arab Digital Reform Institute
- Gerriadi Agusta
  Founder of Kaaba Virtual Experience
- Badr Ward
  Founder of Lamsa
- Francesco Cavallari
  Founder of Video Games Without Borders
- Karim Jabbari
  Founder of Made From Words
- Meryem Chin
  Co-Founder of Takva
- Mohamed Hassan
  Founder of Al-Qalam
- Mohsen Hazrati
  Founder of Team Engare
- Nathan Brown
  Founder of Tomorrow Never Knows, Inc
- Yasmin Sobeih
  Founder of UNDER-R APT
The Winner
The winner was Francesco Cavallari the Founder of the startup ‘Video Games without borders’. He received a cash award of 15,000 USD.
Parallel Session 1A: Islamic Philanthropy The Problem Eradication Philosophy

Agenda
The Muslim world is beset with socioeconomic challenges. From deadly diseases to economic obstacles, Muslim countries around the world have a mammoth task ahead of them. However, with faster communications, new modes of financial technology and a motivated, young population, there is hope. How can the Muslim world harness its advantages and combine them with technology to meet its challenges? How can it boost Islamic philanthropy to address its societal needs? This session investigated how to foster global and regional cooperation to solve today’s long-standing problems.

Moderator
Mohammad Raafi Hossain
Founder, Finocracy, UAE

SPEAKERS
Houssam Chahine
Head of Private Sector Partnerships, UNHCR, UAE
Rachid Ouaich
Co-Founder, Connexcap, Luxembourg
Kimberly Gire
Founder, Global Women Leaders Strategic Philanthropy, USA
Tariq Cheema
CEO and Founder, World Congress of Muslim Philanthropists, USA

Summary Points
• Most Muslim giving today is used to deal with man-made or natural disasters, or is donated out of piety in a spontaneous and casual way, with little strategic thinking
• Blockchain coupled with other tech-based solutions could eliminate the need for a middle-person between donors and recipients
• There is still a need for public donations to support refugees and the communities who host them

Recommendations
• Islamic philanthropy must move from being faith-based to faith-inspired, reaching everyone who is in need, irrespective of their race or religion
• Muslim donors should invest in building community resilience rather than just responding to problems as they arise
• There is a need to move philanthropic capital upstream, to the earlier stages of humanitarian operations, to strengthen communities and prevent disasters
• Donors should ensure they get the maximum social return on their contributions

Panel Discussion
The Muslim world is generous when it comes to philanthropy, but donors need to invest in building community resilience rather than just responding to problems as they arise, leading philanthropy and ethical finance experts agreed.

Today, most Muslim giving is used for “fire-fighting”, either to deal with man-made or natural disasters, or, it is given out of piety in a very casual way, according to Tariq Cheema, founder and CEO of the World Congress of Muslim Philanthropists, a global network of affluent individuals, grant-making foundations, and socially responsible corporations that was established to advance accountable giving.

“Muslims are very generous and if you add the time and everything we volunteer, many Muslim societies have proven to be giving more money in terms of the percentage of their GDP. However, when you run the test of impact, we’re far behind,” said Cheema, a Chicago-based doctor who turned to philanthropy in 1997.

“Muslims are very generous and if you add the time and everything we volunteer, many Muslim societies have proven to be giving more money in terms of the percentage of their GDP. However, when you run the test of impact, we’re far behind,” said Cheema, a Chicago-based doctor who turned to philanthropy in 1997.

“He said Islamic philanthropy must shift from being faith-based to faith-inspired, which means going out and helping people irrespective of race or religion. Furthermore, donors must ensure their investments are in people achieve the maximum social return on their contributions.
COMMUNITY RESILIENCE

In addition to ensuring the effectiveness of Islamic philanthropy, there is also a need to move capital upstream, to the earlier stages of humanitarian operations, said Kimberly Gire, founder of Global Women Leaders, a community of women change-makers working to improve the wellbeing of people in the world’s most neglected crises.

The former banker said financial aid usually arrives too late and that early investing in communities is the most effective way to make a true social impact. This, she stressed, could mitigate problems before they become a disaster.

“The warnings are put over and over again and finally, when pictures of starving people and children are shown on television, the money flows, but by the time the appeal goes out and the money comes in, it’s way too far down the line,” said Gire. “After the famine threat in 2011, when 250,000 people died [in Somalia] because of food scarcity, we learnt that people do respond and very generously, including from the Middle East. But it’s often too late.”

Famine-related deaths are often from diseases that hit people when they are at their weakest, noted Gire, adding that if philanthropists invested in the basics of development, like agriculture, water infrastructure and access to healthcare and, such disasters could be averted.

HELPING REFUGEES

The UN refugee agency, UNHCR, which takes care of refugees around the world, has sought to open a dialogue about Islamic philanthropy and social finance as well as zakat initiatives to help refugee-hosting communities. In early 2018, the agency launched a digital platform in cooperation with the Abu Dhabi-based Tabah Foundation to enable Muslims to fulfil their zakat obligations by supporting the neediest refugee families in Jordan and Lebanon.

The sharia-compliant platform enables refugee beneficiaries to receive monthly aid via iris scanning technologies, without having to queue or remember PIN codes. Significantly, the zakat contributions go directly to refugees, with no money deducted for administration costs or overheads.

“In Jordan, we are working with our colleagues and partners, including banks and Muslim scholars, to support the cash-based intervention programme through zakat directly. Through the zakat programme, we are trying to engage Muslims specifically from this part of the world, so they can be part of solving this problem,” said Houssam Chahine, head of private sector partnerships at UNHCR.

According to UNHCR, the Middle East and North Africa (MENA) hosts the largest number of refugees, with nearly 40% of the world’s 25.4 million refugees based in the region.

Several Muslim nations have provided financial support to MENA refugees.

For example, the UAE has donated about 3.23 billion dirhams (US$880 million) since the beginning of the Syrian Civil War in 2011, according to Mariam Al Muhairi, UAE Minister of State for Food Security, whilst in 2018 Kuwait pledged US$1 billion in loans and US$1 billion in direct investments to help rebuild Iraq. Yet the public should still contribute to supporting refugees and the communities who host them, urged Chahine.

THE ROLE OF TECHNOLOGY

Technology can help solve many of the challenges facing Islamic philanthropy. For instance, blockchain coupled with other solutions could eliminate the need for the middle-person between donors and recipients, according to Rachid Ouaich, co-founder of Conexcap.

The Luxembourg-based group is involved in several Islamic economy initiatives space, mainly related to providing the French market with ethical financial solutions that use the likes of artificial intelligence and blockchain.

“Technology can help match donors and recipients without intermediaries. This is already happening in the investment sector. We will always need someone to give us advice on who should be receiving help... but that doesn’t mean our money has to flow through the bank accounts of big institutions,” said Ouaich.

By allowing real-time donations and enabling donors to track their money, technology can solve one the biggest obstacles to attracting more donations - the lack of trust and transparency. In addition, technology can improve donor outreach because it’s currently difficult to reach the masses in every part of the world by conventional means.

“I think we’re all lagging otherwise there wouldn’t be so many people in need. But there is more consciousness towards the needs of others. We will increasingly be able to connect with people who are more in need than the ones close to our home. And it will become easier for people to allocate money for situations they care about,” Ouaich concluded.
Parallel Session 1B:
New skills for the Creative Class in the Fourth Industrial Revolution

Agenda
While the future of work will increasingly rely on people who combine creative, technical and social skills, education systems are still training for employment models of the past.

The vast range of creative careers available is not widely known by young people, parents or teachers. Also unclear is the required information or career guidance to obtain these jobs of the future.

Yet, professionals and entrepreneurs operating in the Islamic Creative Economy (‘Creative Class’) possess high-value skills judged by many experts to be of increasing importance. These range from blended technical and creative skills to collaborative interdisciplinary thinking.

What skills will future societies and workers need to succeed in the Fourth Industrial Revolution and power a thriving Islamic economy?

Recommendations
• An effective way to build our mental, visual database is to pause and look rather than just scan our surroundings. We can then fall back on this data every time we need creative inspiration
• There is a big challenge to acquire creative skills that are more relevant to the 21st century and which we could use on a daily basis at work
• We must revise what education is for so that we can improve teaching methods and make the education syllabus more relevant
• Young professionals will be more attached to companies that share their values. These companies will benefit from the ideas and innovative approaches of their young employees, who themselves will benefit from increased career opportunities

Panel Discussion
The panel discussed the agenda and decided that after the initial proposals were made, there would be a period in which unique and innovative ideas would be collated in collaboration with the audience. These ideas would become part of a consolidated report available to all.

The focus was on creative skills and to look at problems and issues in different ways in order to come up with novel solutions. The emphasis was on trying to identify these creative skills, given the cultural and professional differences among attendees.

Opining on how to generate creative ideas, Islamic artist Siddiqa Juma advocated the use of visual libraries to aid the inspirational and creative process.

“I have been asked this question fairly regularly,” stated Juma. “It made me think of how I come up with ideas when I am painting. The mind is a funny thing – we collect all kinds of data and the idea is to sift through all this data and to teach ourselves to notice, or scan, objects that we are exposed to in our day-to-day life.”

Juma asserted that if, somehow, these objects could be stored in a box in our brains which we could later access, or if we could train ourselves to build a mental box we fill with fascinating things that we see around us, it would act as a catalyst for inspiration.

“Then when you are faced with a black canvas you open the box and you pour out all the ideas by unlocking them from your visual database. An effective way to build our visual database would be to pause and look rather than just scan. We can then fall back on this data every time we need to. The results can be amazing.”

Emphasis on Life Skills
Reem Hantoush graduated as an architectural engineer in 2013. Her qualifications called for the studying of large structures, which brought out her artistic capabilities and mathematical proficiency. Reem acknowledged that engineering architecture has advanced greatly and her approach to her work tasks must often be multidisciplinary.

Elaborating on her thoughts, Hantoush said: “There are challenges and the world has changed drastically in the last century. The technological revolution has shifted the disposition of the workforce across all sectors and industries. We live in a physical and virtual world. A lot of today’s jobs are disappearing, people are getting displaced and new jobs are being created. This is causing a skills gap in the labour market.”

According to Hantoush, students poised to enter the labour force after graduation, should consider acquiring specific skill-sets during their educational journey.
“After I graduated, it became difficult for me as I did not possess a few basic skill-sets. I had to learn along the way. Some of them were soft skills - communications skills, confidence, social skills and life skills - that were not a part of my original educational curriculum.

“It was interesting to see that the World Economic Forum survey in the GCC stated that only 22% of respondents believed that education helped them succeed in life. This shows there is a big challenge we face today, not only in fostering talent in students, but in acquiring creative skills that are more relevant to the 21st century and which we could apply on a day-to-day basis at our workplace.”

Hantoush said there are huge opportunities, and education in the UAE is going through a transformation of sorts. The UAE government aims to develop an ambitious agenda to modernise education. Reforms are taking place in public schools and there is an opportunity to make education and training more flexible in terms of teaching skills relevant to today.

The emphasis, according to Hantoush, “would now be on life-long learning skills, on-the-job training and the widening of online training designed to bring more of a video-style stimulation to learning.”

The UAE, Hantoush said, was now in a great position and poised to lead this campaign at a global level.

CONNECTING WITH YOUTH, BUILDING BRIDGES

Islamic economies must find ways to better connect with their huge youth populations. “It is about re-theorising the context of education,” said Thomas Steele-Maley. “It is not just about changing a school here and there. We need to opt for a process of revising what education is for and why we are making changes. In the Islamic context, we need to start shifting context and this starts with people saying they want something different.”

Steele-Maley noted the UAE is making radical changes in its concept of education. “The idea is to introduce the creativity of an unlocked mind into your business and using that and allowing that creativity to flourish. New contexts of education, supporting what is out there, now encourage this. The ecology of the education system must be designed,” he said.

MOVING TOWARDS AN ISLAMIC-BASED ECONOMY

Arfah Farooq approaches the concept with a different perspective, arguing that collaboration, resilience, adaptability and flexibility are the skills for the future “because we do not know what the future jobs are going to be”.

Creativity, according to Farooq, is not just related to subjects such as art and design, but also relates to the way that people approach problems.

“Young people work for companies that are morally suitable (to them) and have their values aligned. This is the structure for an Islamic-based economy. It is, therefore, possible to appeal to the younger generation because, if anything, I believe the world is shifting more and more towards an Islamic-based economy.”

Farooq propounds the theory that young professionals will be loyal to companies that share their values. In turn, these companies benefit from the ideas and innovative approach of their young employees, who themselves gain access to new, exciting opportunities through their employers.

Farooq proposes the concept of focusing on the micro, and a shared future. “What I am keen to assess is how we as multi-generations can work together. Let’s forget about the big skills programmes and the government initiatives. Let’s see where we can start - I may not be able to change the world in my lifetime, but there’s a chance I could inspire somebody who does. So what I am proposing is to start now and think about how we can work together.”

We need to opt for a process of revising what education is for and why we are making changes. In the Islamic context, we need to start shifting context and this starts with people saying they want something different

Thomas Steele-Maley, Director of Foresight Research and Design, GEMS Education, UAE
Parallel Session 2A: Innovation at the Edges

Agenda

Technological innovation is accelerating. Yet little of this innovation is happening within the Islamic Economy and therefore the needs and interests of people living in Muslim-majority countries may not be adequately reflected in the implementations of these new technologies. With the increasing democratization of knowledge, the digitization of commerce and far-reaching initiatives in the Muslim world to bolster technological and entrepreneurial capabilities, how can we use technology and innovation to create real game changers within the Islamic Economy?

Summary Points

- Entrepreneurs in the Islamic Economy often look at successful “unicorns” – start-ups that are now valued at over US$1 billion - in the West and try to adapt those business models to Muslim markets
- There are many Muslim tech champions, but people tend to overlook them
- The result of the Muslim world failing to participate in the first three industrial revolutions was that it was dominated by outsiders and missed the boat on technological breakthroughs. If the Muslim world fails to take a full part in the Fourth Industrial Revolution, it will face a similar outcome

Recommendations

- Muslim innovators should first focus on the problems that are affecting the lives of people and then on the technology/solution, not the other way around
- Muslim societies must re-think what it means to create a successful start-up, because they often look to the West to tell them what is valuable
- Islamic Economy start-ups that want to stand out through innovation must be brave because they will face many challenges such as Intellectual Property protection and must sometimes collaborate with competitors

Panel Discussion

People today are bombarded with new technologies. Developers are continuously coming up with the next iteration of these technologies without much pause or reflection as to its purpose.

Instead of focusing on the technology as an end in itself, Muslim innovators should focus how they can solve the problems affecting peoples’ lives globally. The technology part comes last, according to Muhammad Aurangzeb Ahmad, Principal Data Scientist at KenSci Inc., a machine learning platform built for healthcare data, and Assistant Professor in artificial intelligence (AI) and machine learning at the University of Washington.

“Creating the machine learning and AI models, often that is actually the easy part, but getting people to adopt these technologies with use cases that are helpful and have dividends especially in healthcare, can be challenging,” said Ahmad, who alongside his day-to-day work, edits the Islam and Science Fiction Project, which he founded in 2005.

Should the Muslim world fail to fully participate in the Fourth Industrial Revolution, the consequences could be detrimental. For example, the result of the Muslim world having little involvement in shaping the first three industrial revolutions was its domination from outsiders, more than 150 years of colonialism, and missing the boat on technological breakthroughs such as the printing press, noted Ahmad.

There’s often a big gap between what we articulate as an ambition and the muscles we have as an organisation

Sofie Lindblom, CEO, Ideation360, Sweden
With so much happening so quickly, companies that want to create the right environment for innovation must first figure out what role they want to play and what technologies are important to them.

“Once you articulate that ambition then you can formulate an action plan on how to get there, and that’s the start of becoming innovative. There’s often a big gap between what we articulate as an ambition and the muscles we have as an organisation,” said Sofie Lindblom, CEO of Sweden-based Ideation360, a global platform for turning ideas into real business value.

Organisations that dare to work in open ecosystems have a great advantage because they become the metaphorical spider in the web. But they must be brave to do that, because there are challenges like protecting intellectual property, and they also need to collaborate with their competitors, noted Lindblom, who is the former head of innovation at Spotify.

Entrepreneurs in the Islamic economy often tend to look at successful unicorns and tech companies in the West and try to adapt those business models to roll them out in Muslim markets. In Zabeeha’s scenario, an innovation that came out of an Islamic Economy needed a wider applicability, but the founders failed to see that.

James Faghmous, Computer Scientist at Stanford University and a serial entrepreneur, said people often wonder where is “the Muslim J.K. Rowling, the Muslim Serena Williams, and the Muslim Steve Jobs.” But there are many Muslim champions out there which we do not see, he stressed. For example, one of the co-founders of YouTube, Jawed Karim, is a Bangladeshi Muslim who moved to Minnesota in 1992. Omar Hamoui, the founder of AdMob, the first mobile advertising company that was acquired by Google for US$800 million, is also a Muslim.

“We need a deeper layer of entrepreneurship,” said Faghmous. “Take Uber for example - who says it is a successful model? Uber loses millions of dollars every month, it treats its employees horribly suicide. We need to reflect and focus inwardly. Our metrics of success have been skewed in a way that is very materialistic. There are tremendous amounts of successes away from mainstream headlines that we need to embrace.”
Parallel Session 2B:
Social Impact Entrepreneurship

Agenda
The Islamic economy has a central role to play in solving the world’s developmental challenges. Among the United Nations’ 17 Sustainable Development Goals (SGDs), a high proportion of the nations which face major developmental challenges are Muslim-majority.

At the same time, achieving the SDGs will provide US$12 trillion in new market opportunities in various sectors (UNCTAD 2017).

How can the Islamic economy go beyond consumerism and drive social-impact entrepreneurship?

Summary Points
- One way of introducing social entrepreneurship is to change the way things are done, not just from a lifestyle perspective but from a problem-solving perspective
- There’s no point thinking of social impact ventures and Islamic ventures as niche when about one quarter of the world’s population is Muslim
- Social entrepreneurs should approach a problem with a granular emphasis, or a bottom-up perspective
- One of the most powerful drivers of social impact entrepreneurship will be Expo 2020, which Dubai will host

Recommendations
- Social impact entrepreneurs should be recruited by larger organisations but, rather, they should be empowered
- Social entrepreneurs must understand the social problems of which they are a part. Failure to do so will result in an inability to create effective solutions
- Emphasis should be on supporting local eco-system entities that nurture social entrepreneurs

Panel Discussion
The session deliberated on how the Islamic economy can play a bigger role in addressing global social challenges. Panellists discussed how the Islamic economy could go beyond consumerism and drive social-impact entrepreneurship. Since the launch of the Islamic economy initiative, there has been a pressing need to look at it from the perspective of Muslim consumerism.

Making the opening remarks, Adnane Addiou said the issue was largely about lifestyle. The notion of excess is prevalent – consume more, do more, travel more and have more. The underlying issue is that when we have more, others have less.

Addiou believes one way of introducing the topic of social entrepreneurship is to change the way things are done, not just from a lifestyle perspective but from a problem-solving perspective. Most countries investing in social entrepreneurship are not the poorest ones. The concept of innovation is more evident in progressive countries, especially in Scandinavia, and is not based on charity when applied in the Islamic context. It is not about identifying poorer people and giving them money. Social entrepreneurship is about creating sustainable inclusion. It must be designed to create sustainable income and a distribution of wealth. This is an important component of the concept.

In view of the observations and arguments that he presented, Addiou believes one way of introducing the topic of social entrepreneurship is to change the way things are done, not just from a lifestyle perspective but from a problem-solving perspective.

Moderator
Rafi-uddin Shikoh
CEO, Dinar Standard, UAE

SPEAKERS
Adnane Addiou
Co-Founder and Chief Visionary Officer, Moroccan Centre for Innovation and Social Entrepreneurship, Morocco

Katharine Budd
Co-founder CEO, NOW Money, UAE

Yousuf Luiz Caires
Vice President, Expo Live, UAE

Glen Mehn
Head of Development Innovation, Nesta, UK
Financial Inclusion for Low-Income Groups

Katherine Budd aims to make a social impact through her entrepreneurial approach. Her company, NOW Money, is a mobile banking service that provides accounts and a range of low-cost remittance options to low-income migrant workers in the GCC. They work long hours in poor conditions in order to send money home to support their families. Their low pay means they are disqualified from opening bank accounts and are excluded from the financial system. NOW Money’s services aim to improve lives, saving the company’s customers significant money and enabling far greater financial inclusion across the region.

Budd used the discussion to highlight what she said was a gap in social investment in Islamic products because of a misperception that they are niche.

“These products, whether they start in sharia, or in social impact entrepreneurship have the potential to scale in massive ways. They are overlooked by investors and this is one of the reasons we see countries like Scandinavia put together funds to invest in those areas. They have spotted the untapped opportunity and companies that have started in social impact, or Sharia, or a combination of both, are exploding across the mainstream.”

The UK Crowdfunding platform, for example, is sharia-compliant, but does not advertise this attribute because 70% of those who use it are not Muslims.

“There’s no point thinking of social impact ventures and Islamic ventures as niche when it represents 25% of the global population,” Budd argued.

“You would never develop a product for children, or the elderly, and have investors say it’s niche. Halal products can grow well beyond their original intended market. Facebook is a great example. It started out as a means for university students to communicate and look at where it is now. Halal, socially-conscious products and services have the same potential. They can have a wider impact.”

Glen Mehn echoed Budd’s views saying, “It is not just giving people a bank account. The more important point is to assess what kind of financial services would the individual need? Is it about sending remittances home, making payments, or clearing debt?”

Mehn’s company Nesta is a global innovation foundation that identifies challenges and opportunities and shapes ideas into sustainable solutions. It enables collaboration with organisations around the world that at the sharp end of solving social problems and helps them approach those problems in an innovative fashion. “We support innovation in five sectors: health, education, the creative economy, arts, (and) government.”

Mehn said social entrepreneurs should approach a problem with a granular emphasis, or a bottom-up perspective. For example, if social entrepreneurs were addressing the infant mortality rate in Nigeria their focus would be on how to keep the baby alive.

According to Mehn, the power of social enterprise is that it tends to work in a bottom-up fashion. Many traditional efforts, whether it is zakat, charities, or governments, tend to address challenges from a top-down perspective. For example, they would focus on the high infant mortality rate in Nigeria. Meanwhile, a social impact entrepreneur wouldn’t particularly care what the infant mortality rate is, what concerns them is how they keep an individual baby alive.

One of the most powerful drivers of social impact entrepreneurship will be Expo 2020, which Dubai will host. Its impact is predicted to be felt across the Muslim world and beyond.

Yousuf Luiz Caires likens Expo 2020 to the Olympics, “But instead of countries sending athletes they will send innovators. They send their food, their arts, the best of what they have so that they can portray themselves to the world in a manner they want,” he said.

Expo 2020’s focus is on innovation, and the authorities have pledged it will be the most inclusive meeting ever in this context.

“We look around for people who can change the world, or the future. We have already identified 70 people from across the world and they have received grants. We are looking for social innovators – those who will focus on the WHY factor,” stated Caires.

During a broad-based discussion which focused on how corporations could help social entrepreneurs, the panel opined that the emphasis should be on supporting entities in the local eco-system that promote entrepreneurship. If these are weak, then start-ups that come out of these programmes will also be weak.

Also, social entrepreneurs must understand the social problems that they are a part of. Failure to do so will result in an inability to create successful solutions. Mentorship, support and investment are key components.

Another theory put forward was that social impact entrepreneurs should not be hired by larger organisations but, rather, they should be empowered. One of the advantages is that it doesn’t require too many skills, such as education, for example, for someone to be a successful social entrepreneur.
Parallel Session 3A: Islamic Fintech

Islamic fintech has been gaining traction in the last few years. Major Islamic centres have embraced fintech’s potential by introducing sandbox regulations to allow fintech companies to set up and thrive within their banking eco-systems. Consequently, innovative products such as digital banking, payment solutions, robo-advisory and digital currencies have been introduced as Sharia-compliant options for Islamic banking and investment management.

By 2020, an estimated 66% of the world will be connected to the Internet via their mobile phones. As it stands, the wider sharia-conscious market, stretching from the GCC to Southeast Asia, has a nascent Islamic fintech sector. This session gathered Islamic banking professionals, fintech influencers and digital technology experts to discuss how ready the Islamic finance industry is for the fintech era.

Agenda
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Summary Points
- The banking sector is still control-driven and slow to change, which is deterring it from embracing fintechs
- Banks may be willing to adopt a new technology, but they cannot do much if their core infrastructure is legacy
- The Malaysian market is not ready for services like mobile wallets, because people are still very comfortable with cash and ATMs are widely available
- As regulations loosen, technology costs decline and banking licences become more easily available, a new breed of competitors will start to emerge

Recommendations
- To capitalize on the next one billion consumers, Islamic banks should pay special attention to young consumers
- It’s not enough for a bank to have a digital team; it has holistically embrace the culture
- Islamic banks should start thinking about how they will compete with unconventional competitors, how they will attract the next generation of young customers, and how they will create lifetime loyalty

Panel Discussion
The legacy mindset is still holding back many Islamic banks from capitalising on new technologies and realising fintech’s potential. While some in the banking industry claim fintech is risky, unproven, and may not last, fintech companies say banks are too paranoid and their conservative mindset will prevent them from advancing.

“The problem with the banking industry is that we are slow to change, we are control-driven organisations, stuck on approval models and payback periods, so we’re missing half the opportunity to take advantage and transform the business model to be relevant to the customers of 2025 and 2030,” said Afaq Khan, Chairman of Al Rajhi Bank Malaysia.

Islamic banking boards and managements should think about how they will compete with non-traditional competitors such as e-wallets and big data companies, how they will attract the next generation of customers who want to interact with the banking system in a completely different way, as well as how they will create lifetime loyalty.

Banks should also consider what the industry will look like in 15 years, who their clients will be by then, and then map out their journey forward.

GOING DIGITAL
In more sophisticated Islamic banking markets such as Malaysia, the landscape is becoming highly competitive. Margins are compressing, costs are increasing and customers are becoming more demanding as they look for cheaper, better and faster solutions, said Rafe Haneef, CEO of CIMB Islamic Bank.

These concerns prompted CIMB Islamic Bank to introduce a fast-saver account in Singapore that can be opened instantly. The applicant simply completes an online form, scans their ID and proof of address, and within seconds the account is opened and can receive transfers.
CIMB has also introduced one-minute approval for home financing, allowing customers to purchase from 60 approved housing projects in Malaysia. The service is part of its InstaApproval platform, which facilitates applications for personal financing and car ownership.

The Malaysian market, however, is not ready for services like mobile wallets, because people are happy using cash, and ATMs are widely available. Therefore, moving consumers to mobile wallets will take time. The country has had a national ID card with smart features for the last 15 years, but few people make use of it for payment purposes. Even with the launch of new mobile wallets in recent months, their total usage in Malaysia does not exceed 2%, according to Haneef.

COLLABORATIVE ECOSYSTEMS

When it comes to fintech collaborations, CIMB recently integrated Ripple's blockchain technology to enable instant cross-border payments and is also working with Skymind on artificial intelligence solutions.

Banks such as CIMB, given their size, have been able to invest in their technology platforms. For instance, the bank has an open API (Application Programming Interface) and uses Hadoop - open source programs and procedures - to analyse data. Without an open API or Hadoop, it would be of no use speaking with fintechs.

"Banks could be willing to adopt a technology, but their core infrastructure is absolutely legacy. So, you could have all the appetite for it but if your rails are from the stone age you can't do much. In many cases, banks want to innovate, and they get on the front end with a nice shiny facade, but the back middleware is where a lot of the changes needs to happen," said Khalid Saad, CEO of Bahrain Fintech Bay.

Several Islamic banks have now appointed technology advisors who can speak the fintech language, while others have created specialist fintech departments or added tech-savvy directors to their boards.

But none of these sufficiently address the problem, according to Oliver Rajic, CEO of Singapore-based fintech firm Alpha Fintech. "It's not enough to have one digital consultant or team; it has to be an entire embrace of the culture. That's where the challenge is for banks."

FUTURE DIRECTION

To capitalize on the next billion consumers, Islamic banks should pay extra attention to young consumers. Today, Muslims around the world have a low median age, and youth have a bigger impact on business than ever before.

However, young people generally do not trust banks - they will trust Facebook and Instagram with their data more than they would banks. To cater to this segment, which is looking for alternative options, banks should keep in mind that young customers expect instant gratification and minimal hassle. For instance, they would find it unacceptable to submit 15 documents or wait several weeks to open an account.

"Take a look at the cell phone or computer industry, what the revenue generators were, who they were 10 to 20 years ago, and how much they had to change with the impact of technology," said Rajic. "This is what banks are facing – how they're making money and where they're making money has to massively change. The whole mindset has to change."

As regulations loosen, technology costs decline and banking licenses become more easily available, new competitors will enter – not traditional players but unexpected names - and these are competitors that banks never saw coming, warned Rajic. For example, Amazon and AirAsia have just started offering small business loans.

"It's not enough to have one digital consultant or team; it has to be an entire embrace of the culture. That's where the challenge is for banks."

Saad agreed, saying that as regulators reduce barriers to entry, the industry will see a fundamental shift, with a new breed of financial solutions entering the market. He noted that Bahrain’s government was already starting to move all its infrastructure to the cloud – the first country in the region to do so – and is beginning to embrace open banking. That will open up a whole new ecosystem, he said.
Parallel Session 3B: Global Islamic Economy Influencers

Agenda
The universal values embedded in the Islamic economy are increasingly appealing to global ethical and social impact-driven audiences. At the same time, regions worldwide are awakening to the power of the creative economy, which holds great promise for Muslim societies.

In the age of digital disruption and social engagement, leaders and influencers are emerging from around the globe in different industries. These influential personalities are leveraging their celebrity for greater social impact and driving innovation in their respective sectors.

The session featured prominent Islamic economy influencers who are using different tools and channels to influence millions of consumers and drive positive change in the Islamic economy.

Summary Points
• Muslim women need more role models. Women can also be role models for men
• Some companies may be wary of investing in your country and your brand if they think your religion is backward
• The quickest path towards becoming an influencer is to identify three core components - The What, The How and The Why

Recommendations
• Muslims should be able to package what they are presenting in terms of universal values
• Talk is cheap, but action can change public perceptions
• Everything you do should be for the sake of Islam

Panel Discussion
Touting her credentials as an influencer, in both thought and action, Lamya Al Haj, seeks to be a change-maker who can make a difference.

Al Haj believes that everybody wants change, but nobody themselves wants to change.

“I strongly believe that every single person can be a change-maker and can make a difference,” she said. “You need to identify your roles in life and align your goals to them. You can drive positive change.”

According to Al Haj, the quickest path towards becoming an influencer is to identity three core components - The What, The How and The Why.

Al Haj believes individuals must first identify, and then set, their goals, and in the process assess their lives. Al Haj’s goal is to be a change creator, making a positive difference in people’s lives.

Al Haj translates her intentions into meaningful actions, using her classroom and wider society as her canvas. A key moment for her was when she noticed how her students were most engaged during conversations that focused on life skills.

“This inspired me to start something new and I asked myself how could I drive change in a sustainable manner,” Al Haj said. “And that’s my route to The How.”

According to Al Haj, change is easier when one understands The Why. “It is time for us to give back,” she said. “The best way to give something back in this life is to do something.”

Al Haj believes that in order to be influencers, people must be driven by a sense of obligation.

“We all want to make a difference (and) explore the concept of how people can remember us. These become our goals. Muslim females need more role models, and this could be one of the key drivers.”

Women, according to Al Haj, can also be role models for men. If we align and identify our goals, this can help us orchestrate positive change.
“Change is difficult, but if we understand The Why then we will be able to figure out The How,” she said.

**A COMMON HEARTBEAT AMONG MUSLIMS**

Citing the example of messages from Muslims on a Twitter thread following the shooting of three young Muslim boys in Chapel Hill, North Carolina, Chris Blauvert illustrated what he labelled as the global heartbeat of the Muslim community.

“It showed that in 100 plus countries we beat with a common heart following that tragic incident,” he said.

Blauvert then highlighted the demographic known as Global Urban Muslims that are Educated and English Speaking (GUMEES). Within this group there are 284 million, which if a country would be the fourth largest in the world by population.

Blauvert said GUMEES was an exciting and new concept and central to his own company, LaunchGood, a global crowdfunding platform. This aims to support Muslims launching products across the world by helping them raise funds for their campaign.

**Brand Islam is being hurt**

Mudassar Ahmed warned the Global Islamic Economy is in mortal danger, claiming that global brand Islam has taken a battering. “We need to understand this reality and learn how to work with it.”

Being a public relations professional, Ahmed said there were multiple messages coming out about Islam and fundamentally the harder he tried to normalise the message the more the Islamophobia industry picked up on this.

“Actually, I found that it has been getting worse,” he revealed. “Despite my company’s best efforts it seems we are losing this war and this is very important to understand, because if you don’t like Islam you will not be interested in engaging with it. This is also affecting Muslims as well.”

Through his public relations arm, UNITAS Communications, Ahmed is looking for ways to communicate to his audience and be creative in this communication.

“It is a huge challenge,” admitted Ahmed. “There is a PR and Media crisis. There is a challenge for companies to invest in your country and your brand if they think your religion is backward.

Governments, individuals and the media are promoting this narrative globally. The challenge is trying to understand how we can fix this issue.”

**PLAYING TO STRENGTHS**

Addressing the issue of brand Islam and its often negative perception across the world, Al Haj commented, “You are a Muslim all the time. Everything you do should be for the sake of Islam. There is a fear and perception about Muslim women and I try to break that fear by travelling more and teaching. The best of us are the ones who are the best Muslims in society. We need to play to our strengths and set an example as a community.”

**CHANGING PUBLIC PERCEPTION**

Commenting on the possibility of maximising the opportunities to better communicate brand Islam, Blauvert said, “I became a Muslim 17 years ago. In America we are in a minority. One day I got a halal cheeseburger and I commented that it did not taste like halal. Now fast forward and we all know that today if someone offered you a halal cheeseburger that’s the best burger you can get. But it’s not just enough to talk about it and say our meat is better. What always stands out is the quality.

“Similarly, after the recent shooting of Jews in a synagogue, the Muslim community rallied around and offered support to the Jewish community. In America, they think that Muslims hate Jews, but Muslims managed to raise hundreds of thousands of dollars for the Jewish community. Talk is cheap, but if you can put money where your mouth is you can change public perception.”

Ahmed queried the type of audience that needed to be impressed. Is it the Muslim community, or the entire world?

“When it comes to understanding the challenges of brand Islam there are two arguments,” he said. “First, to address the perception of Islam in the West. That is something a lot of Muslim groups and Muslim leaders are actively working on. Secondly, the insights one may get about the global Islamic economy and driving that change in this part of the world.”

Ahmed believes Muslims should be able to package what they are presenting in terms of universal values. “Religion is not a big driver in America. But there are ethical values and that can be promoted in a broader context,” he noted.
Islamic finance holds over $2.4 trillion in assets, how can it help drive the growth of other sectors of the Islamic economy?

The UAE has taken several steps to create an open economy and a conducive business environment, which makes it a natural hub for Islamic manufacturing, services, trade and investments. The popularity of Islamic banking increasing globally, and according to the Dubai Islamic Economy Development Centre, global Islamic finance assets will reach $3.8 trillion by 2023.

Islamic finance has traditionally been the driving force behind the global Islamic economy and has evolved into a $2 trillion market today. Now, other key pillars such as halal food, fashion, travel, tourism, entertainment, and art and culture are achieving robust growth. This can be attributed to a fast-expanding consumer base and the strong regulatory support from governments in key markets such as Malaysia, Bahrain, the UAE and Saudi Arabia.

Dubai aims to become the global capital for the Islamic economy and has made several strides towards achieving this. According to the Dubai Islamic Economy Development Centre (DIEC), the government entity leading this initiative, the Islamic economy sector accounted for Dh33 billion (US$9.0 billion), or 8.3 percent, of Dubai’s GDP in 2016.

The Sustainable Development Goals and Value Based Intermediation are global priorities led by the United Nations. Their aim is to achieve a better future for all over the next decade by addressing poverty, inequality, climate change and environmental degradation, and championing prosperity, peace and justice. The Islamic Economy has a critical role to play in realizing these aims, given its strong link to addressing the basic needs of a society as well continually improving the quality of life for all.

In my opinion, the opportunity for Islamic banks lies in increasing awareness of Islamic banking’s values and benefits, while simultaneously using technology to create new digital solutions.

How is innovation reshaping the financial sector?

The tech savvy digital consumer is ever ready to adopt anything that provides greater convenience. We can see that technology usage is increasing daily as people embrace new devices, gadgets and apps. Without doubt, this is an opportune time to tap these technological advances and fulfill the ever-increasing needs of the digital generation.

The emergence of fintech companies and Artificial Intelligence has completely reshaped how many major institutions operate. Some financial institutions are partnering with fintech solution providers in order to improve and enhance their operations, particularly in areas such as payments, transfers and remittances and insurance. Consumers are becoming increasingly sophisticated, aware and impatient, looking for the best services, wherever they are and NOW. That is a challenge but it also offers the opportunity to cater to this customer demographic.

In the UAE, regulators have started to develop policies and governance frameworks for the fintech industry which can pave the way for further growth in the sector. We have seen a significant emergence of new players and startups in the market and we consider ourselves, at Dubai Islamic Bank, lucky to be headquartered in a nation where innovation is a critical pillar of government planning.

We are already part of the initiatives to build an ecosystem around e-wallet and blockchain including the SMART Dubai agenda. At Dubai Islamic Bank, we believe that continuous innovation is vital for our growth strategy. Driven by a client-centric approach, our digital transformation remains a fundamental element in achieving our growth agenda in 2019. Every new product or initiative under the digital agenda has to tangibly improve the customer experience - that’s what matters most. The world is fast-moving, and we need to be quick and responsive.
Dubai aims to become a global hub for the Islamic economy by boosting what it calls ‘responsible investment’, as well as supporting halal entrepreneurship and innovation, what will be the role of DIB in supporting this vision?

I’d like to answer that question in two parts. First of all, the foundations of Dubai, as an Islamic finance hub were laid over 40 years ago with the establishment of Dubai Islamic Bank. Dubai’s leadership saw an opportunity and a gap in the market and this one step paved the way for the emirate to progress towards becoming the global capital of the Islamic economy.

This is clearly a testament to the vision of HH Sheikh Rashid and HH Sheikh Mohammed – two great strategic leaders who saw the possibilities well before they started materializing in the progressive place that we all call our home today.

Dubai today is a global brand. It has an iconic status in the world. The past shows that progress is an essential part of the emirate’s DNA. The strategies put forward by the leadership around Dubai’s economic development have always been long term – capacity is created early and then consumed in the following years.

The establishment of Jebel Ali port, the creation of Emirates Airline, the expansion of Dubai’s airports – all are clear evidence of how the leadership thinks and this unique mindset has led to the emirate being the most economically diversified in the region. On top of everything else, Dubai’s infrastructure is among the best globally, as are safety and security. All this has created a high-quality lifestyle that everyone desires. And that’s what Dubai is aiming for – for productive, qualified, skilled individuals and entrepreneurs to come from all over the world to make the emirate their home.

So, how has DIB contributed to furthering this agenda? We are a full-fledged Islamic bank that is among the top three most profitable players in the country. Our market share is nearly 10% now. We exist in every sector that players in the country. Our market share is that is among the top three most profitable.

We have become a household name and clearly seen as a school for Islamic finance and an institution where new talent can thrive in this fast-growing industry. So why am I telling you all this? Because our growth has accelerated the development of the Islamic finance industry, not just in UAE but in the region and beyond.

We have made Islamic banking a norm in every market in which we operate, and we will continue to do the same going forward. And because today, Islamic banks can compete head-to-head with any traditional or non-Islamic player - notice that I deliberately did not use the word “conventional”, because we see the industry as the new norm now - the proliferation of Dubai and the growth of the global capital of Islamic economy will be far quicker and well supported as corporates, new entities and entrepreneurs requiring the diverse services of the Islamic finance sector find them readily available and accessible.

“One Belt, One Road” – now renamed the Belt and Road Initiative (BRI) - was launched by Chinese President Xi Jinping in 2013 to improve connectivity and cooperation between Eurasian countries, how can this initiative further develop the global economy? And how will it impact the growth of the Islamic economy?

The Belt and Road Initiative will play a vital role in reshaping the global Islamic economy, with nearly 30 Muslim-majority countries involved. The initiative will require significant investment, which will lead to strong economic growth in these nations. As an Islamic economy begins to develop in these markets, big potentials will be unlocked for Islamic finance to expand and flourish.

The Belt & Road Initiative will require vast investments across 65 countries that are home to 65 percent of the world’s population and about one-third of global GDP. Given the sheer size of this market, a boost to Islamic finance is highly likely.

The $5 trillion of projects present several opportunities for Islamic banks to plug a sizeable funding gap. Furthermore, as an increasing number of Muslim-majority nations sign up for China’s transcontinental economic development scheme, the need for ethical, sharia-compliant financing will also grow.

When it comes to funding of these projects, there is an evident opportunity for Islamic banking. Largely because out of the 70-plus countries that have signed up to China’s BRI initiative to improve regional cooperation and link global economic corridors, about 30 have majority Muslim populations, including Malaysia and other countries in South East Asia, Africa and the Middle East. Therefore, leading Islamic institutions from the Middle East will help mobilisation of liquidity from the region.

BRI is likely to substantially increase trade between China and the MENA region. This growth in trade and investment from BRI through the UAE will help increase opportunities for local and regional Islamic financial institutions. In fact, these institutions will be key players in mobilizing funding for these projects.

Given what I have mentioned, it is no wonder that Dubai’s leadership has already highlighted a clear direction and approach to developing and “owning our own silk road”, as clearly spelt out by His Highness Sheikh Mohammad Bin Rashid Al Maktoum, Vice President, Prime Minister of UAE and Ruler of Dubai, in a recent publication of the 50-year charter, which outlines his vision for Dubai. With the emirate operating 80 ports around the world and the expectation that 1 billion passengers will travel through Dubai airports over the next decade, His Highness sees Dubai as destined to become the hub for east and west.

The geographic position of Muslim nations along the belt and road gives them a critical role to play in the project. What are the key challenges in developing the Belt and Road Initiative in the Middle East and other Muslim Countries?

Investment in BRI projects is immense and total infrastructure costs are estimated to exceed $8 trillion (Dh29.6 trillion). Moreover, Belt and Road could face a funding gap of approximately $49 trillion over the period 2015-2030.

Additionally, several trillions of dollars will need to be invested in projects related to BRI across various countries and jurisdictions. Given the size of the requirement it’s nigh on impossible for a single country or a handful of financial institutions to fund this investment. This creates potential opportunities for local, regional and global institutions to get involved in the financing.

In the Middle East, 13 countries will be part of BRI, and as the region recalibrates its economies to a lower oil price environment, both structural and fiscal reforms are being expedited by the respective governments. This will consequently attract foreign investment in infrastructure, trade, investment, services and supply chains for these markets.

BRI funding will be supported by Chinese state-owned and commercial banks, as well as multilateral banks. Banks from partner countries will also have a significant role to play when it comes to bridge financing, equity capital markets, facilitating investments by infrastructure funds and private equity, and managing longer-term bond issuance, including green bond issuance for renewable energy projects.
Global Islamic Business Award

Global Islamic Business Award (GIBA) is an innovative award launched by the Global Islamic Business Excellence Centre (GIBEC) and spearheaded by the Department Economy in close cooperation with the Islamic Development Bank. GIBEC is envisaged as a part of the global Islamic economy institutional infrastructure, specifically mandated to deal with management and governance practices based on Islamic values. To acknowledge and promote business based on Islamic Values, GIBEC has established the Global Islamic Business Award (GIBA). Being the first of its kind in the world, GIBA seeks to recognize corporations striving to serve not only its shareholders but also its society, investors, customers, partners and its own employees in accordance to Islamic values. The Award is based on a novel excellence framework and criteria of the Islamic Business Excellence Model developed by the Global Islamic Business Excellence Center.

Financial sector

NATIONAL BONDS

AMLAK FINANCE

Public sector

RAS AL KHAIMAH PUBLIC SERVICES DEPARTMENT

Hospitality Sector

AL JAZEERA INTERNATIONAL CATERING
Manufacturing Sector
NATURAL WELLNESS – MALAYSIA

Global Islamic Business Appreciation Award
BOSNA INTERNATIONAL BANK

Honorary Award
ISLAMIC DEVELOPMENT BANK
Plenary Session 4: The Future of Work in the Muslim World

Format: Panel Session

Agenda

The era of fast-emerging technologies, which include Artificial Intelligence, Quantum Computing and Blockchain, will have huge ramifications for the future of work. From massive shifts in the labour market to mass unemployment, youth today must navigate a complex environment.

Yet emerging technologies also provide massive opportunities. In this session, a diverse group of young people from around the world discussed their work and the future of work.

Summary Points

- Schools that recently started teaching computer science have achieved a fivefold increase in students passing university-level exams
- Computer science allows children to be digitally creative, teaching them how to create games and apps
- Industries that empower local workers are more socially impactful than charities
- As automation technology becomes cheaper than workers, more manufacturing jobs will disappear in the next 10-15 years

Recommendations

- Young people should explore traditional industries and reclaim and repurpose them before outsiders do
- Schools should teach computer science to children to increase the chances of them passing university level exams and to improve their scores in maths and science
- Entrepreneurs can make use of technology in their businesses to enhance transparency, and in developing countries increase literacy and uplift people

Panel Discussion

Many experts agree that much of the skills we possess today will not serve us in 5-10 years, but what exactly should be done differently? For Hadi Partovi, Founder of US education non-profit Code.org, the answer lies in teaching children computer science. Most schools don’t teach it, while there are more than 1 billion students worldwide in the education system, which costs roughly US$10 trillion a year, according to Partovi.

Skills of the Future

There are four ways we can change the education system so that it incorporates computer science. First, we should make it policy that schools must teach the subject. Second, computer science could be introduced to schools by teaching it for one hour daily. Third, educators could create an online curriculum that makes computer science accessible to all students, from first grade all the way to the end of high school. Fourth, roll a program to retrain teachers so that they can teach computer science to the future workforce.

“We have been doing that for five years in the U.S. and have had very strong results. My organisation has trained more than 80,000 computer science teachers,” said Partovi. Participating schools have achieved a fivefold increase in the number of students who are not only take computer science but also pass university-level exams, he said. Students’ scores in maths and science have also improved. U.S. students now rank computer science as their second-favourite subject - behind the arts - because of its creativity. For example, through computer science, pupils get to create animations while in primary school. By sixth or seventh grade they can make their own games, and by 10th grade can develop apps.

We have been doing that for five years in the U.S. and have had very strong results. My organisation has trained more than 80,000 computer science teachers.

Hadi Partovi, Founder, Code.org, USA
AWAKENING TRADITIONAL INDUSTRIES

While computer science teachers equip children with the skills of the future, some believe that ancient industries can still hold the key for many economies to flourish. Yemeni-American coffee innovator Mokhtar Alkhanshali lays claim to exporting the first coffee from Yemen in 80 years, connecting the rural mountains of his home province with the high-end coffee shops of New York and San Francisco. He then developed a sophisticated e-commerce platform to sell the product more widely in Western markets.

The entrepreneur revived the ancient Yemeni trade of coffee when he founded his company Port of Mokha and went on to support local farmers and entrepreneurs to improve their own livelihoods. Having seen the global coffee market achieve double-digit growth year after year, he felt compelled to revive Yemen’s nearly-lost art of coffee cultivation. Today, his company produces some of the most sought-after coffee in the United States.

Technology is serving Alkhanshali’s business by enabling him to showcase his products in a transparent way. According to him, consumers want to know more about the coffee they drink, where it comes from and how it’s grown.

His company has also inspired Yemen’s coffee farmers to increase the quality of the beans they produce. When the farmers see how their coffee is showcased in stylish cafes, they gain self-confidence and feel greater national pride. Ultimately, industries that empower local workers are much more impactful than charities, according to Alkhanshali, because when charity funding ends, communities are left powerless and remain dependent on that relief.

IMPROVING WORKERS’ WELFARE

In the same spirit, Thaslima Begum, Founder and CEO of UK-based Teek Taka, has dedicated a big part of her life to empowering workers in Bangladesh and protecting their rights. Keen to improve labour practices and poor working conditions, she founded an Islamic financial technology firm in 2018 to leverage the power of blockchain and trade financing to address these problems.

Teek Taka also offers a digital payments service for suppliers and buyers who don’t meet the requirements of traditional banks, enabling businesses in rural communities to access cheaper and faster financing in return for participating in a system of ethical supply chain transparency.

As automation technology becomes cheaper than employing workers, more jobs in the manufacturing industry could soon disappear, said Begum, adding that businesses have 10-15 years to prepare. However, when longstanding jobs go extinct, new jobs will emerge. To prepare for that, Teek Taka aims to upskill women so that they can secure good jobs in the future and improve their livelihoods.

According to Partovi, higher income countries will suffer more because automation will quickly replace expensive workers. In emerging economies, there is still an opportunity to leapfrog ahead. On that note, Alkhanshali urged today’s youth to reclaim their country’s traditional industries before outsiders do, repackage them in a way that brings the best of old and new, while using technology to open new channels, increase literacy and empower people.
Plenary Session 5: What’s your CUE? “Cool, Universal and Ethical” - Building Brands from the Islamic Economy for the World

Agenda
Over the last few years, the Islamic Economy’s universal ‘shared values’ ethos has helped broaden its appeal to a greater global constituency that acts according to ethical and social-impact values. The majority of customers in Malaysia’s Islamic finance industry, for example, are non-Muslim customers and the sector is now expanding into social finance; halal food is starting to be synonymous with healthy and ethical eating; and modest fashion is galvanizing a new modest lifestyle among women worldwide. While no brand from the Islamic Economy has achieved truly global scale yet, exciting brands are emerging, which have universal appeal, are ‘ethical’ in their ethos, and are seen as young and cool. These rising stars are inspiring a new generation of entrepreneurship in the Islamic Economy.

Moderator
Rafi-uddin Shikoh
CEO, DinarStandard, UAE

SPEAKERS
Helianti Hilman
Founder and CEO, Javara, Indonesia

Muhammad Chbib
Serial Entrepreneur, UAE

Tina Memic
Founder and Managing Director, The Brand Consult, UAE

Summary Points
• One-thirds of employees in the Middle East leave their companies every year, which implies considerable time and money is being wasted on training new staff
• Successful brands often focus on supporting their people as much as their products, be it employees or local suppliers
• Islamic Economy brands commonly set out to offer a world-class product or service

Recommendations
• Companies and founders should not only define their brand values but also live by them
• Fledgling start-ups, should consider hiring a brand director
• Companies must ensure employees are happy if they want to stay at the top of their game
• Many people may laugh at your idea initially, but if you strongly believe in it, eventually these doubters will too
• Going global from a Muslim-majority country in the Middle East requires a company to become a great cross-cultural communicator, showcasing both its products and culture, and disproving stereotypes
• To succeed as a global brand, a company must deliver the same quality of products and services every single day; consistency is key

Panel Discussion
Young, exciting brands are increasingly emerging from Muslim communities across various geographies. While no brand from the Islamic Economy has made it to global prominence, names such as Zileej, the Dubai-based Islamic design company, Modanisa, the Turkish modest fashion platform, plus start-ups in Islamic fintech and the halal food industry are on their way to becoming global brands. How are they doing this and what did they get right?

Muhammad Chbib, a serial entrepreneur who moved to Dubai in 2004, has always had a passion for creating brands that touch consumer lives. With a preference for business-to-consumer companies, in early 2016 he established Tajawul as the online travel arm of a large corporation. The company has been a huge success, generating close to US$1 billion dollar in net sales since inception.

“We wanted to prove that we can create a world-class brand,” said Chbib “I figured out very quickly that I’m not the best brander in the world, so the first task was to get someone with great consumer branding experience. We hired an Arabic-speaking brand director from Procter & Gamble because she had gone through their marketing school.”

To create a digital travel brand, Chbib’s team conducted an in-depth survey for six months. The team then decided on the brand identity With most GCC youth visiting the same few destinations every year, such as London and Paris, and even staying at the same hotels, Tajawul aimed to show them there were other, more compelling destinations to explore. The message it sent through branding was: “go on a journey that makes you excited because then you have stories to tell that are different from others,” said Chbib.

Go on a journey that makes you excited because then you have stories to tell that are different from others

Muhammad Chbib, Serial Entrepreneur, UAE
For Tina Memic, Founder and Managing Director of The Brand Consult, the biggest asset to any company is simply its people. A former general manager with Bateel, where she worked for nearly a decade, she said that companies must make sure their employees are happy if they want to stay at the top of their game.

As many as one-third of employees in the Middle East and North Africa are leaving their employers every year, more than double the world average, said Memic. This means that companies must train one-third of its workforce every year. The extra costs and time involved in doing this could be reduced if businesses re-think how to keep their staff happy.

“People say the customer is king; that’s not true. Yes, the customer is right in my business, but my employees are kings and queens. I know it sounds cheesy, but [this ethos] made them work more than we would’ve ever asked for, stay overtime, and become brand ambassadors. When you achieve this, your brand will take flight,” noted Memic.

With 50 stores and cafes across 40 countries around the world, Bateel is enabling cross-cultural communication through dates and is exporting the concept of Arabian hospitality. The company’s date farms had been family owned for decades, before the family considered showcasing dates in a boutique-style setting to a wider audience.

“Everybody laughed at first. Well, if you believe strongly enough in your idea, they will too. We have been delivering the same quality of products and service every day. You must have that set-up and the guarantees that you can do so. Again, it goes back to hiring the right people, motivating and training them and then focusing on your product,” said Memic.

Going global from a Muslim-majority country in the Middle East, Memic found that the company was not warmly welcomed initially because of the negative image some people from other regions had of this part of the world. Consequently, Bateel was selling much more than a product, it had to convey the region’s values and history and become cross-cultural communicators.

Bateel’s owner and founder, Dr. Ziad Al-Sudairi, continues to visit his farms to harvest dates, usually in August when temperatures can top 50 degrees Celsius, and has been doing so since establishing the company in 1992. “Show me a business leader or owner who has nearly 600 employees and still comes to the farm and harvests. This is not just about defining values but also living by them,” noted Memic.

Farmers Take Centre-Stage

Javara is one of Indonesia’s leading producers of artisanal food products and takes pride in its people, in this case indigenous farmers. The company has been providing solutions to their socioeconomic problems, while preserving and promoting the biodiversity of Indonesian food throughout its value chain.

Helianti Hilman, Founder and Chief Executive of Javara, set up the company in 2008 at the request of farmers. Soon after, it became the first enterprise in Indonesia to provide social security insurance for farmers, who normally don’t enjoy such coverage.

Starting with just 10 farmers and eight products, Javara now has 700 organic and artisanal products and works with 52,000 farmers across the archipelago, exporting to 23 countries on five continents. The social enterprise buys agricultural products from local farmers and sells to mostly Western markets as well as hotels, restaurants and supermarkets in Indonesia.

If we look at how food is becoming so industrialised and globalised, it’s losing its meaning as a tool for the community to get together, and it’s losing its spirituality.

The biggest challenge for Hilman was to educate the supply chain, especially the producers. For that, she created Javara Academy to help farmers, foragers, and fishermen become food entrepreneurs, and to provide them with the necessary skills, network and start-up capital. “It takes a lot of work to bridge between the global market and all the small farmers we work with. We engage farmers through entrepreneurship programmes to teach them how to respect their profession and build their self-esteem. Once you inspire them and build their self-esteem, they will do the rest themselves.”

Javara’s owner and founder, Dr. Ziad Al-Sudairi, continues to visit his farms to harvest dates, usually in August when temperatures can top 50 degrees Celsius, and has been doing so since establishing the company in 1992. “Show me a business leader or owner who has nearly 600 employees and still comes to the farm and harvests. This is not just about defining values but also living by them,” noted Memic.

FARMERS TAKE CENTRE-STAGE

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If we look at how food is becoming so industrialised and globalised, it’s losing its meaning as a tool for the community to get together, and it’s losing its spirituality.

Helianti Hilman, Founder and CEO, Javara, Indonesia

The company focuses not only on building the brand, but the people behind it: most product packaging features farmers’ faces or their hats, or includes the story of how the food was produced. “If we look at how food is becoming so industrialised and globalised, it’s losing its meaning as a tool for the community to get together, and it’s losing its spirituality.”
Creative thinkers debated original philosophical ideas they believe can improve society, personal happiness and further the Islamic economy. The discussion centered around the spirit of disruption; the ideas that might disrupt the way people go about their daily lives, the ideas that get people to think differently. Lots of applications were received and the panel made their choice based on three criteria.

1. Ideas that can change the way the audience look at it.
2. Wisdom and insight that is unique.
3. An alternative approach to thinking about a current problem.

**Agenda**

The main learnings that Hashim Farooq wants people to absorb are:
1. Do not allow learning and education to just occur behind a screen.
2. We should be more discerning. What are the outcomes of what we're doing?
3. Stop thinking about the economics that constrain us.
4. Think about other people whom we can empower. The challenge is that we won't know how to empower other people if we haven't taken stock of ourselves.

"If you're someone that has finished your career and you're now looking at what to do, you can put your energy, your experience, back into the communities and that's a role that you play in society. If we just keep thinking about the economics, that's when people fall off the radar and it's not a good in a position to be in," he said. "We also need to think about the fact that the spirit of Islam doesn't necessarily have to inspire with ourselves and confident to then go and teach others."

The main learnings that Hashim Farooq wants people to absorb are:

- Do not allow learning and education to just occur behind a screen.
- Stop thinking about the economics that constrain us.
- People can communicate with greater impact, turning conversations into relationships and sometimes changing the course of history.
- Selling the concept of purpose in a business must come from the top down.

**Summary Points**

**Panel Discussion**

**Hashim Farooq**, Senior Program Manager, Microsoft, UAE, presented the idea of Learning To Teach. He suggested changing our mindsets from one that focused on simply taking, to one of passing on knowledge, from one where we’re always picking the low hanging fruits, to helping plant new trees and nurture old ones.

"We all have it within us, this latent ability to pass on knowledge. The future isn't just about what you know, but what you can teach. It's time for us to learn to teach again," he said.

Farooq's premise was focused around giving. "We are a giving community, but often we equate giving with just one thing and that is giving money." His believes giving is much more than that and people have forgotten this.

Farooq contends that we are moving through our lives so quickly that our vision is blurred. We are so fixated by progress that we fail to notice what's happening on the periphery. According to him, people are no longer paying attention. Things as simple as knowing who your neighbours, or taking stock of ourselves and thinking about the role we can play.

"What is it that we can actually share," he asked. "We have an entire wealth of capability in this room but if you go through their LinkedIn profiles you will only see line after line of what they have done. If we actually take stock at saying these are the things that I have learnt, we would become more capable and more inspired with ourselves and confident to then go and teach others."

Farooq believes that people should reconnect with their communities. "I'd like to set things in motion so that at some point when technology gets to a point where it's doing some of those mundane jobs, we (can) return to our humanity and we are able to have those conversations with the people around us to cultivate our communities."

The main learnings that Hashim Farooq wants people to absorb are:

1. Do not allow learning and education to just occur behind a screen.
2. We should be more discerning. What are the outcomes of what we're doing?
3. Stop thinking about the economics that constrain us.
4. Think about other people whom we can empower. The challenge is that we won't know how to empower other people if we haven't taken stock of ourselves.
express itself inwards. It’s something that we do when we as Muslims engage with others. So, if we’re not even speaking to our neighbor who may not be Muslim and who may not be interested and we’re able to have a conversation where they understand our character is an Islamic one and they appreciate who we are, then that’s pretty good.”

Abdur Rahman Syed, Executive Director, Algebra, UAE, presented the idea of The Art of Prophetic Communication. Tabling some historical examples from the life of the Prophet Mohammed, he stated that the power of effective communication lay in its brevity, by which the Prophet displayed himself to be a master of human connection and emotion.

God’s messengers not only shared a common message, but the way they shared that message also reflects a common wisdom about how to deal with people in order to communicate with impact. That wisdom can be distilled into a framework anyone can use.

The six rules of prophetic communication were:

1. Listen: Listen before you speak.
2. Give: Give before you take.
3. Connect: Identify and honour what you have in common.
4. Imagine: Imagine a better world.
5. Invite: Invite your audience to build a better world.
6. Love: Love your audience and wish them well.

The aim was to ensure that they were happy and productive and would therefore be loyal to their company. The company, in turn, should align every employee’s life purpose to its corporate strategy. It could enhance staff performance.

By adopting these rules, one can communicate with greater impact, turning conversations into relationships and sometimes changing the course of history.

“Heard the idea of purpose in a business needs to come from the top down,” Khoory said. “The university's purpose is to train the next generation of faith-inspired leaders to connect the mindsets, values and rituals of the Islamic Faith to human and organizational dignity in order to tackle society's most pressing challenges.

The teaching approach would integrate traditional Islamic knowledge with a scientific scholarship to develop a unique body of knowledge that is spiritually inspired and scientifically thorough and relevant to modern society.

“Something really powerful happens when you leverage the mindsets and the values of these rituals in a professional setting, in your startups, in your organizations - something called Baraka, which is like a multiplier effect that happens in your organization. It is doing more with less,” said Faris. “The challenge is where would you go and learn this? How can we have a Baraka-led organization that achieves honour. That’s my wild idea. Perhaps we can call it Baraka University.”
Parallel Session 4A: Can Blockchain and Cryptocurrencies Power the Islamic Economy?

Format: Panel Discussion

Agenda
Blockchain technology has become a major buzzword, with many describing it as a revolutionary technology that will have a similar impact as the internet did. The cryptocurrency market grew by a factor of 32 in 2017. What will the future look like with blockchain technology?

This session covered the basics of blockchain and cryptocurrency and how the Islamic economy can take advantage of these technologies. It touched on untapped opportunities as well as the advantages and disadvantages of a decentralised world, with constant reference to the Islamic Economy. Led by a group of experts, the discussion offered insights into the revolutionary blockchain technology and how the Islamic Economy stands to gain from it.

Moderator
Aziz Bin Zainuddin
Founder, Master the Crypto, Singapore

SPEAKERS
Devie Mohan
Founder, Burnmark, UK
Robin Lee
CEO, HelloGold, Malaysia
Matthew Martin
Founder, Blossom Finance, Indonesia
Harris Irfan
Chairman, Islamic Fintech Panel, UK

Summary Points
- What makes blockchain most appealing to Islamic finance is the potential cost savings it can enable. Islamic finance products are more expensive than the conventional financial services products, so blockchain can help make sharia-compliant finance more competitive.
- There are various cryptocurrencies which could become alternatives to fiat currencies. Most cryptocurrencies provide a decentralised medium of exchange is, and are finite, scarce, divisible and have a high stock to flow ratio - just like gold.
- Blockchain technology can help Islamic finance increase financial inclusion.
- Blockchain-based smart contracts remove many of the “middle men” involved in conventional contracts, reducing costs and increasing transparency.

Recommendations
- Cryptocurrency has a future within the Islamic Economy - it can be a sharia-compliant tool to help expand financial inclusion among the world’s unbanked population, a large proportion of whom live in Muslim-majority countries.
- A sound monetary system is vitally important, especially in times of a financial crisis; cryptocurrency could add to the robustness of the monetary system because of its gold-like attributes.

Panel Discussion
The discussion explained the revolutionary nature of blockchain, as a decentralised ledger where all transactions are recorded chronologically and everything is transparent and secure. The key issue is whether blockchain technology can synergise with the Islamic Economy given its ability to disrupt myriad industries.

Devie Mohan, Founder of Burnmark, highlighted that blockchain is different and separate to cryptocurrency. Blockchain is the underlying technology for all crypto currency but has multiple other uses beyond cryptocurrencies. “Blockchain’s importance can be gauged by the fact that it is a huge market,” he said “The amount of investments going into start-ups in that space is going to be huge as well.”

Matthew Martin, Founder of Blossom Finance, said: “The way to look at smart contracts is like any computer program. They run on blockchain, and blockchain is really just a computer with special properties. These are really useful to Islamic finance companies.”

CUTTING COSTS WITH SMART CONTRACTS
Asked whether smart, automated contracts can be applied to Islamic finance, Matthew Martin, Founder of Blossom Finance, said: “The way to look at smart contracts is like any computer program. They run on blockchain, and blockchain is really just a computer with special properties. Any information you put cannot be changed. “It’s a computer which is available anywhere you have internet. And it’s a computer that never turns off. Plus, it’s the world’s only computer that can transfer values between parties that do not trust each other. This is the revolution of blockchain and cryptocurrency. Smart contract is just a computer programme that runs in that special computer. It is not free. There is a cost associated with that, you have to pay the computer. This means that any terms and conditions one wishes to include in the contract, either with the customer or a third party, can be

(set) within the parameters of blockchain. The third element is (reducing) fraud and risk. Blockchain enables the individual to track every single element of a service. Therefore, fraud is reduced and (so is) the risk to the customer, company or bank. These are really useful to Islamic finance companies.”
Tokenisation was absolutely key in everything that we did. At HelloGold we thought about finance. At HelloGold we thought we could execute our mission using blockchain technology, and tokenisation was absolutely key in everything that we did.

The reason for that was very simple: from a financial inclusion standpoint there are (about) 2 billion Muslims and more than 70% of the unbanked population in the world are Muslims. Therefore, financial inclusion projects need to be sharia-compliant so that we may lift this portion of society out of the situation they are in.”
This interactive workshop saw high-energy, team-based design activity in which participants developed and proposed concepts and ideas that reimagined the future Global Islamic Economy. First, the teams selected from a series of supplied ‘How Might We’ questions to encourage bold, creative thinking. They then brainstormed and explored solutions together on paper. When time was up, a representative of each group shared their ideas with everyone present.

**Summary Points**

- The Islamic Economy is often too rigid and narrow in scope, excluding non-Muslim markets, minorities and women
- To include all communities and reach grass root levels, the Islamic Economy must become more inclusive
- The Muslim world would benefit from building an influential Islamic ecosystem that links the best financial and entrepreneurial systems around the world

**Recommendations**

- The concept of halal needs to be rebranded to fight its often negative perception in non-Muslim communities
- The Muslim world should teach its youth how to tell stories, speak in public, and other soft skills, so they can become brand ambassadors for the Islamic Economy
- Muslims need to think big and keep in mind they are a population of around 1.8 billion and therefore should have a much bigger impact on the world
- The Islamic Economy should consider establishing a world-class university that would produce high-quality research and people specialised in the technology of the future. This, in turn, would serve the Islamic economy in many ways

**Panel Discussion**

Concluding the Global Islamic Economy Summit 2018, this interactive session encouraged attendees to participate and engage with their thoughts and ideas.

First, the teams were asked to think about problems in the Islamic Economy which they cared about. Next, they were invited to brainstorm solutions that could generate exponential growth and propel the Islamic Economy by a factor of 10. Led by facilitators, each group came up with a mind-map or chart that summarized their action plan and then presented it to the audience.

A group guided by Mohammed Faris, Founder of Productive Muslim, agreed that the Islamic Economy was too exclusive and rigid. This inflexibility was preventing it from crossing boundaries and reaching non-Muslim communities, women and minorities. It was also limiting its applicability to a wider range of issues such as environmental protection.
Amir Equbal, Founder and Chief Designer at Minimal Muslim Design, said there was a need to connect traditional Islamic principles with the modern world. We should expand and redefine the Islamic Economy as something that can solve bigger problems in order to change misperceptions, he said.

The challenge was therefore to make the Islamic Economy more inclusive so that it embraces all communities, environmental protection and spreads to grassroots levels. This would require collaboration between governments, businesses and individuals.

Muhammad Chbib, a UAE-based serial entrepreneur and founder of online travel company Tajawul, said that to 10X the Islamic Economy, we must define big themes and do them at scale. Speaking on behalf of his group, he said that communities must identify good leaders and put them in the correct positions, and also identify potential leaders and nurture them so that in 10 years they can become leaders.

We should also look into establishing a world-class university that is ranked alongside the likes of Harvard, Yale, Princeton and Oxford, and produce top-quality people and research, said Chbib. The university should house faculties for global mega technology trends, such as artificial intelligence, 3D printing and machine learning, which would enable the production of technologies to benefit the Muslim world. Furthermore, he suggested building an influential Islamic ecosystem by looking at the best financial and entrepreneurial systems around the world, linking them and making them work for Muslims. “We need to think big - bigger than what we think today. Why only 10X? We should account for 30 percent of the world’s GDP. We need to include many societies, take examples of greatness and aim to be even greater,” said Chbib.

One group focused on the need to build more trust in Islamic values, particularly in the halal label, which seems to have a negative perception among some non-Muslims. The group said the halal concept must be reintroduced and repackaged "as more than just a burger in Manhattan".

This rebranded certification would assure buyers that the halal product complies with a set of values - namely fair profit margins, sustainable processes, honesty and integrity, top quality, fair wages, a healthy working environment and empowerment of female employees. Everyone would want to associate with such a brand. It would thus become an Islamic Economy brand with strong international appeal and would gain the loyalty of anyone who wants to live in a community that respects and upholds those values.

Another group put the spotlight on educating the younger generation and teaching them how to tell stories, speak in public, be assertive and other soft skills, so they can become great brand ambassadors for the Islamic Economy.

We should expand and redefine the Islamic Economy as something that can solve bigger problems in order to change misperceptions

Amir Equbal, Founder and Chief Designer, Minimal Muslim Design
Parallel SESSION 5A : The new SRI? Sustainable, Responsible & Islamic Finance

Agenda

Islamic finance has a tendency to take new and successful products from the world of finance and develop Sharia-compliant alternatives, a ‘replication’ strategy for growth.

Although this strategy has put Islamic finance on the global finance map, it faces diminishing returns with passing decades. Growth rates have sagged, which threatens Islamic finance’s ability to increase its share in the global financial industry.

Islamic finance needs to win over a new generation of Muslim millennials who share the expectations of their generational cohort for finance to be more responsive to their desire for positive social and environmental impact. Yet they don’t currently see these expectations realized in the way Islamic finance operates in many institutions. Disruptive tools like FinTech, responsible finance and social entrepreneurship offer a seemingly alternative narrative that Islamic finance can use to advance its ethical values, making such tools more appealing. However, their small-scale deployment currently hinders wider scale adoption.

Presenters told their stories of how they were drawn to Islamic finance and then went on to make an impact outside of the mainstream Islamic finance industry. Audience will take the individual experiences as the “beginning and middle” of a story to design a vision for Islamic finance to disrupt its replication habit.

Summary Points

- The social finance governance is strongly linked to the sustainable development goals
- Islamic finance can look into its heritage and see that something important has been done in the Sustainable Development Goals (STG) and has made a great contribution to the world
- The Islamic finance sector is more aware and attuned to its principles and values in social impact than many in the private sector
- Islamic finance needs to be solution led to become an enabler for human social and economic development
- EI (Ethical Investing) is an evolution of responsible investment. EI stresses on transparency on to due diligence

Recommendations

- Technology is the enabler to get to the consumer we are looking to target
- There is room for donation based and equity based crowd funding platforms. Investors should lean on rewards based crowd funding campaigns.

Panel Discussion

Speaking about Islamic Finance, Aamir Rehman said, “We have this US$2.5 trillion narrative. We talk about banking, capital markets, we speak of asset management and this US$2.5 trillion narrative. It is an important one. It is one that we are very much proud of being a part of for over 20 years of helping build this industry. But our biggest narrative which is important and meaningful is incomplete and there are at least three types of issues associated with this narrative.” Rehman went on to detail the narrative thus:

1. The IBF scale - it is an impressive number though it is very small compared to global flows of finance
2. More important, is the point of differentiation and as we develop Islamic finance industry we will certainly achieve scale in many markets headed towards the banking system which is very important, but as many look at Islamic finance and see that it conforms to religious law it may not be having as much social impact as many aspire for.
3. Third and also very important is that it’s not inclusive as we would like it to be from a number of dimensions. We must recognize that a very small number of Muslims engage in the commercial Islamic finance sector, whether that be holding an Islamic bank account or investing in Islamic funding, or subscribing to a SUKUK.

Rehman emphasized that according to a study, Malaysia has a quarter of the market in Islamic banking, Bangladesh has 20% and other countries like Jordan, Pakistan, Egypt, Indonesia and Nigeria make up the rest of the numbers. The market shares in Muslim countries with large populations is modest, but meaningful, for Islamic finance on the commercial side.

THE POWER OF ZAKAT

On a response to a survey conducted on the percentage of people engaged in ZAKAT, Indonesia records 5-6% for Islamic finance, but 96% for ZAKAT. Malaysia has a 25% market share for Islamic banking, but over 90% involved in ZAKAT.
So when ZAKAT is included in social finance, not only is it much larger but more importantly, it is inclusive of a broader range of people all of whom have ploughed their efforts to their financial process, whether that be on the commercial side, or the social side.

The social finance governance is strongly linked to the sustainable development goals. And these goals will be familiar to those who are acquainted with development finance.

Rehman stated that, “One of the projects undertaken at the UNDP is to look at social finance and Islamic finance broadly and see how it serves the development goals. When we look at the legacy of Islamic finance, taking for example the WAQF, the endowment sector, we find that endowments for many of these goals have come into place – like hunger, education, healthcare. So in the Islamic finance sector, we find that endowments for many of these goals have come into place – like hunger, education, healthcare. So in the Islamic finance sector, we find that endowments for many of these goals have come into place.”

UNDPA MEASURES

The UNDP is working with Islamic stakeholders in three different ways.

1. Harnessing: When Islamic finance stakeholders are giving grants to the UNDP and for implementing projects on their behalf. This is being done for over a decade and it has also commenced with ZAKAT collectors most notably BAZNAS in Indonesia. The grants are consistent with the UNDP’s charter and principles ensuring that projects are implemented projects on their behalf. The UNDP does not enter the area of religious law since this is determined by the Indonesian government. This is called harnessing.

2. Aligning: In terms of scale this can be bigger than harnessing. Here the UNDP works on existing flows of financing to align them better in existence with sustainable development goals. They are working with Al Baraka Banking Group from Bahrain. This project is active in 16 countries across the world and is worth US$600 million. Al Baraka’s core business is to provide financing and this is aligned with the Sustainable Development Goals (STG). This is a promising opportunity because banking comprises the core of the commercial sector of Islamic finance.

3. Convening: The UNDP participates in convenings. It has hosted events for four consecutive years at the UN General Assembly to raise awareness on Islamic finance and its potential for financial development.

Rehman opines that there is “An affinity between sustainable development and Islamic finance. The Islamic finance sector is more aware and attuned to its principles and values in social impact than many in the private sector. And that is the strength of Islamic finance. Finally, it is important to work on identifying and measuring STG impact. There are experts in it and the Islamic finance community can benefit from it and in doing so can demonstrate its relevance to global goals that are being serviced across the globe.”

LACK OF DEFINITION ON ISLAMIC FINTECH

Abdul Haseeb Basit shared his learnings on the topic of Islamic Fintech stating that when it did start to grow out from being just a concept, a few years ago, nobody knew how many companies were out there - which ones were Sharia compliant, which ones marketed themselves as being Sharia compliant and which ones were characteristically Sharia compliant. There wasn’t even a definition around it.

According to Basit, “Part of the work we did was to landscape the Islamic Fintech firms around the world. In the first situation we found 110 firms, many of which were in the UK. The UK in fact had the second highest Islamic Fintechs after Malaysia, which was a bit of a surprise. “The second outcome of that was helping to set up something called the UK Islamic Fintech panel and trying to address some of the common problems that those firms have. And they have many of the same problems that the early stage Tech businesses have, but they tend to be exacerbated by the fact that they are seen as Sharia compliant. They are seen as niche and not mass market, which is completely untrue because they are set up from scratch to be mass market and solution led.

“What we are trying to tackle right now is the METOO eco system strategy and that is looking at places like Silicon Valley, and London which have natural advantages and trying to adopt those strategies for other parts of the world where you want tech led business to emerge.

“So some of the work I do now is with the government and regulators on how they can build unique strategies around their own capabilities rather than trying to replicate what’s been happening around the world which might not be fit for purpose where they are.

ADDRESSING THE GAPS

Basit is now working with companies to address the gaps – US$2 trillion in banking assets, which is less than one percent of global banking assets and a population that’s almost 25 percent of the global populace and if one looks at the 1.7 billion unbanked people in the world about 70 percent of them are in Muslim countries. So if Islamic finance is doing the job it should be doing then this stark gap would not exist.

“What I am encouraged by is that a lot of tech entrepreneurs I work with are to address an element of this gap. It might not be totally focused on the retail consumer, or the unbanked, but there is something about inclusivity, sustainability and ethics that permeates everything they do. This gives me hope that Islamic finance really has a role to play in the future finance.

“The way forward is that it is that solution led and for me it is working with pioneers in the space that are looking to address that gap and, alongside that, building enabling infrastructure that’s lacking to help them scale and make sure that we stay true to the human aspect to what I have been talking about.

Basit concluded saying, “Islamic finance needs to be solution led to become an enabler for human social and economic development.”
Ayman Al Bashir became a part of his company’s journey as a global asset management firm that offers opportunities in across global markets. He strove to highlight how a financial institution could highlight environmental and social impact. Since its inception in 1976, Sedco Capital adopted a Sharia compliant approach only and was able to craft three decades of stellar performance in most asset classes including public equity private equity and real estate.

“The real script began to unveil following the 2007-08 financial crisis when the approach to investment and finance was revolutionized,” stated Bashir. “Theories and explanations started surfacing about, immodest investment structures, greed and short term sustainable models which eventually caused the crisis. Like many crises lessons were learnt from previous mistakes and we tried to be prudent in our investment approach and Sedco capital looked at the Sharia investment universe as more resilient and less volatile than the rest when it comes to comparing it to the wider universe during and after the crisis.

“Secondly ESG (Environment friendly; Socially responsible and Governance driven) was on the rise and in our spirit of enhancement and innovation we explored these topics further to find out that both ethical and Sharia investment embrace sustainable economic driven development. Our commitment to sustainable economic development for the future generations and our ethical and sharia approach of investing drove us to develop our new prudent ethical investing approach.

To have stronger performance, better sustainable businesses and economies around the world this approach combines between ESG and Sharia. Sedco Capital has been embracing, since its inception of the business, the goals and objectives of responsible investing and Sharia investing.

In 2014, they were the first Sharia-compliant and asset management firm in Saudi to become signatory of the United Nations UNPRI (Principles of Responsible Investment) and since then, this responsible investment approach has become a core part of their investment process.

**BENEFITS OF ETHICAL INVESTING**

Bashir highlighted that, “Financial and non-financial criteria defined the long-term risk return profile. And when we look at ethical investing for us, it’s not only avoiding unethical sectors. It’s more than this. It’s also taking into consideration the quality of balance sheet and avoiding excessive leverage.”

“So for us EI (Ethical Investing) is an evolution of responsible investment. EI stresses on transparency on to due diligence. EI is a style for investment that would buy us portfolios towards higher quality and better growth prospects. It is a way of avoiding excessive leverage companies, therefore improving the risk adjusted return for portfolios, and it also demands and seeks better understanding of the underlying investments cash flow structures.

Lastly in terms of performance, Sedco did an analysis on the public Equity asset class, which is the asset class where everyone can get access to its data over the past 10 years since 2007-2017. They looked into different indices and compared the Sharia-compliant, what we call for the ethical investing performance, versus unrestricted, versus responsible only, and it was quite evident that ethical investing in the Sharia compliant indices not only reduced the risk, but also improved risk adjusted return of portfolios during and after the crisis.

“It is quite evident that such kind of prudent ethical investment would expose portfolios, or would buy us portfolios, to factor exposures like growth and quality,” concluded Bashir.

Sheeza Shah expounded on the role for social business in a commercially focused environment. I’m going to talk a little bit about my journey, but also where we’re at understanding. So if we look at social business as the result of the Industrial Revolution, we’ve seen human kind make monumental strides in the fields of Technology science and business and you know humankind has now progressed to a point where we realize that we’ve made these achievements at a cost.

**NEED FOR A MORAL SYSTEM**

Shah contends that in the pursuit of filling libraries with books of knowledge man has cut down forests. In the quest for a quick turnaround and clothing inventory investments have been made in cheap labour and arrived at faster modes of transportation natural resources have been burnt and are now smothering the planet.

“So what we’re realising is that no system in the world can progress too far without morality, which is why many in the world are paying the price,” Shah emphasized. Accumulated wealth sits in a small number of pockets around the world meaning that the gap between the rich and the poor has widened and while the rich reap the benefits of excess wealth half of the world is still living in extreme poverty. At US$400 billion were donated to charities in 2017 and there is little to show for it.

“How can this be?” questions Shah. “Why are we in this situation? This is a question that confused me for most of my journey and I spent a number of years working for non-profits. I was volunteering and wearing assorted hats and attending different functions to raise thousands of pounds and during that time I failed to see my work yield any meaningful change. What I realized was that my questions and fund allocation were often squashed, or ignored, and these issues were prevalent across the sector. “People donate to charities with the best of intentions, and they hope that our charitable intentions will aid the poor, but much of this capital can be lost in unsustainable programs, administration, or tick-box reporting, ultimately failing several communities and trapping mainly in an endless cycle of poverty.”

Based on that belief Shah sought to explore other models. “That’s not to say that charity is bad. It’s one of the core principles of being a Muslim. We’re encouraged to give back to those less fortunate. But what I would like us to question is how charity is allocated. So I started to look at social enterprises as a model and realized that tackling social and environmental problems was really no small undertaking and if we were going to succeed at that we had to leverage the same infrastructure that successful businesses were built on which is profitability.”

**CELEBRATING NEW MODELS**

Delving further into the social Enterprise space Shah saw an immediate Synergy between Islamic economics and social entrepreneurship. Concepts such as fair trade ethics justice and community enrichment were being celebrated as new models. But these existed at the time of Prophet Muhammad. Beyond that were conventional businesses finding success with investors and the same investors were bypassing social enterprises because they were really only interested in funding entities that would increase their wealth and a lot of those entities were founded by founders of the same profile whether they were white or male.

Frustrated by this Shah and her co-founder set up UpEffect which is a crowdfunding platform for social impact businesses.

“It’s built on the premise that anyone that has the potential to have an impact on the world should really have that opportunity to turn their idea into a venture,” she stated.

“We saw that poverty cannot thrive in a correctly implemented Islamic Financial system, because the system will ensure the poor will always be attended to and there would always be a fair distribution of wealth in society. But despite all the wealth accumulated in Muslim and Western countries, alike and after trillions of dollars in financial crises and the biggest moral crises of our times, which is global poverty with two billion people living on less than two dollars and fifty cents a day. This is absolutely preposterous.

Shah is of the view that there are very few correctly executed Islamic financial system in the world today. They exist in small fragments and are succeeding in small fragments around the world, but there is a need to bridge the gap. “We’re still playing catch-up to the social enterprise world, which is very unfortunate given that investing in fair trade and ethical practices and positive products is one of the core tenets of the Islamic Financial system.

“At UpEffect we equip entrepreneurs with the skills and resources so that they can build impactful ventures without relying on debts, or investments and we’re adopting kind of the MUDARABA framework in the sense that we take no upfront fees and we help these entrepreneurs get market-ready and find the right customers. If these entrepreneurs succeed with a crowdfunding campaign, we take a success fee and if they fail we share in the losses.”
PHOTO GALLERY
Dubai Islamic Economy Development Centre (DIEDC) MoU Signing at GIES

**HALAL SMART TRACE AND HALAL PRODUCTS DATA BANK**
A smart track & trace system is being launched by EIAC, DIEDC and Dubai Municipality with Swiss company SICPA as technology partner, designed to enable traceability for the consumers and authorities, as well as detect counterfeits and identify illicit goods.

**HALAL ACADEMY PROGRAM DIPLOMA**
Launched by EIAC and DIEDC, in collaboration with University of Dubai, the program aims to equip those employed within the Halal Products industry with the right skills to advance the industry.

**FALCON NETWORK**
Launched at the sidelines of the 4th GIES, the Falcon Network is an angel investment network targeting the growing entrepreneurial ecosystems emerging in key growth markets and cities such as Dubai, Istanbul, Kuala Lumpur, Lahore, and Jakarta, amongst others.

**HERIOT WATT UNIVERSITY**
Launch of the MSc in Islamic Banking & Finance, which is scheduled to commence at Heriot-Watt University Dubai Campus (HWUDC) from September 2019. Strategic collaborations with DIEDC.