

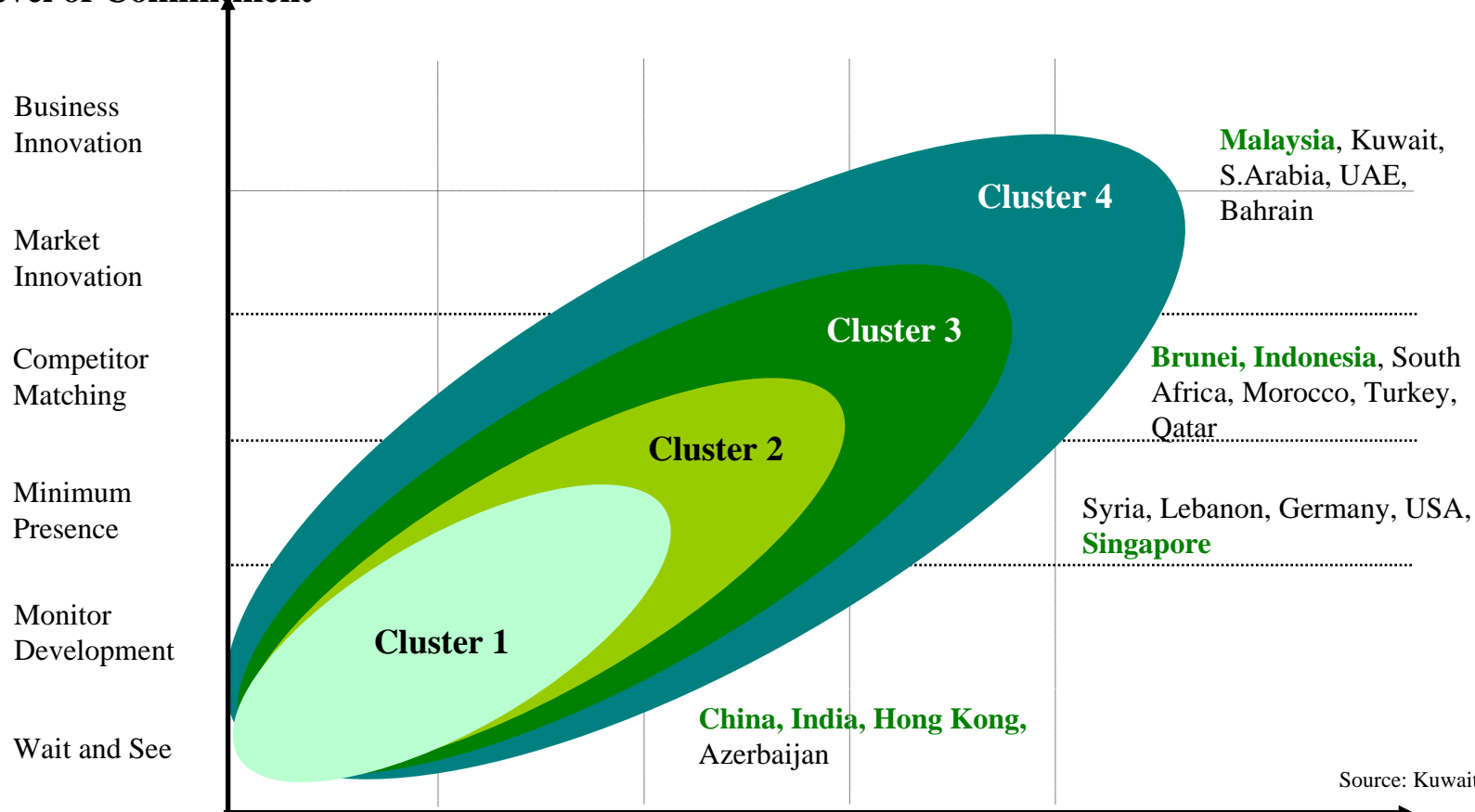
Islamic Financial Services Industry: *The Next Big Wave – Addressing the Human Capital Needs*

by

Mr. Agil Natt  
*President & CEO, INCEIF*  
19 June 2007

# Growing Relevance of Islamic Finance

Level of Commitment



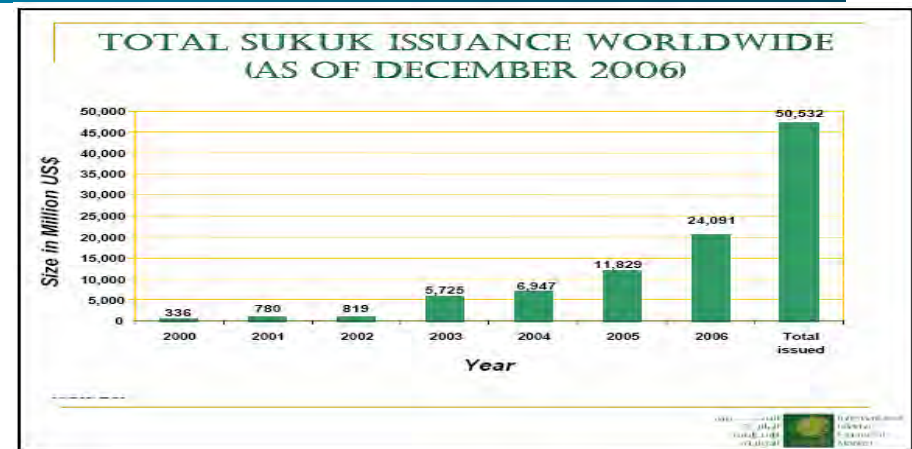
Syria, Lebanon, Germany, USA, Singapore

Source: Kuwait Finance House

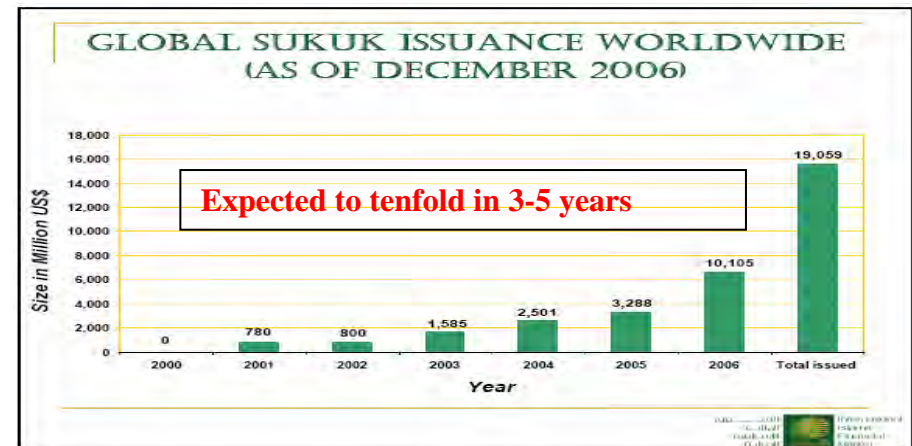
Explore Market Potential    Sporadic Development    Market Development Activities    Market Expansion Activities    **Market Research**

# Fast Growing Demand in Global Sukuk Market

- Global and local sovereign/ corporate Sukuk market exceeds USD50 billion and expected to surpass USD150 billion by 2010
- Demand of Sukuk stands at USD500 billion
- Total issuance expected to reach USD150 billion by 2017
- Malaysia ranks 3<sup>rd</sup> largest for global Sukuk issuance (behind UAE & Bahrain) – 7%
- Malaysia ranks 1<sup>st</sup> for total Sukuk issuance – (67%)

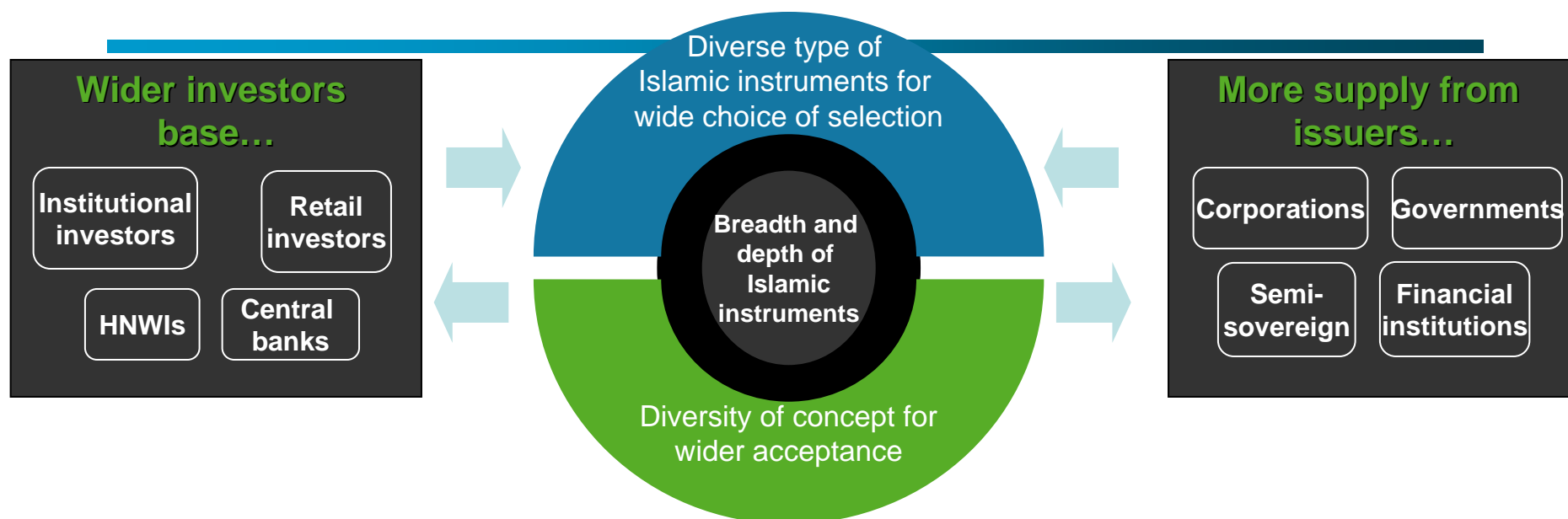


**Total Issuance : USD50.5 billion  
(2000 – 2006)**



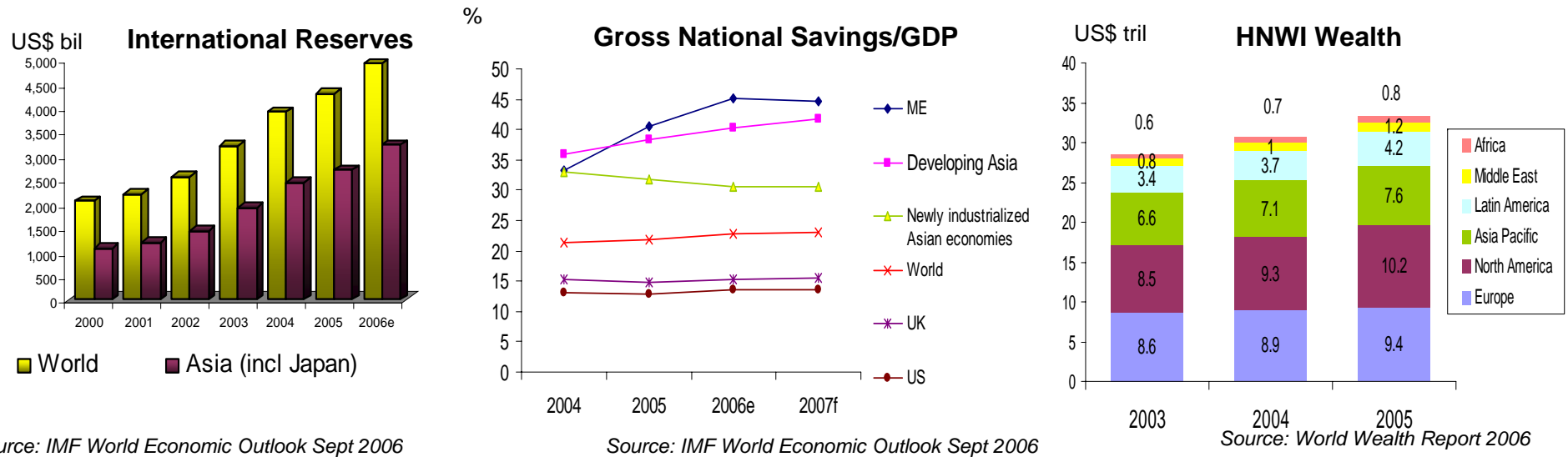
**Total Issuance : USD19.1 billion (40% in 2006)  
(2000 – 2006)**

# Tremendous Opportunities in Islamic Finance



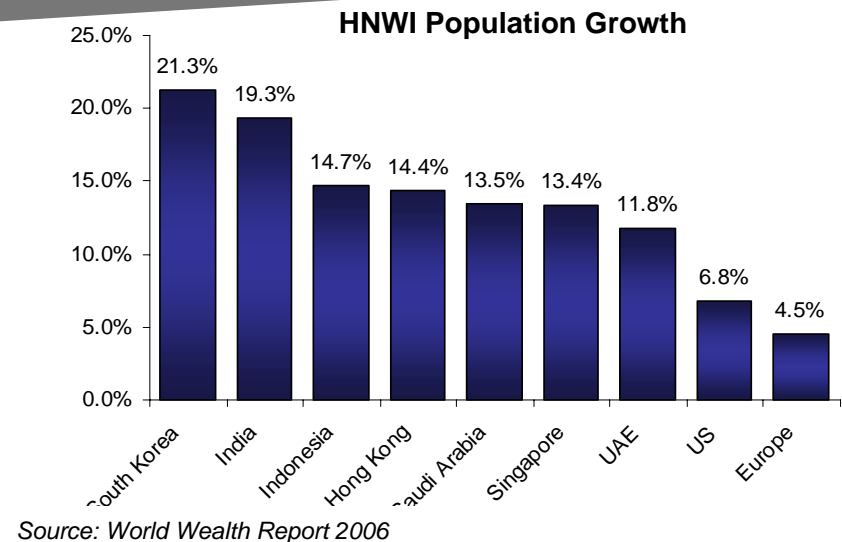
- ✓ Diversity in concepts and instruments – reflect evolving needs, sophistication and innovations
- ✓ Appeals to both conventional and Islamic-based investors – guaranteeing access to a larger investors' base
- ✓ Meeting needs and competitively priced are primary reason for popularity
- ✓ Diverse type of Islamic instruments provides issuers and investors a wide choice of selection based on their financing needs, preference and risks profile
- ✓ Wider acceptance of concepts will create and promote cross-border trading

# Increasing World's Wealth Provides Larger Source for Islamic Finance to Capitalize on



## WEALTH'S HEALTH

- ❑ Positive economic growth, coupled with Asia's booming economies and increase in petrodollars, increase countries' reserves with Asia dominates total world reserves
- ❑ Savings rates of Middle East and developing Asia countries are on upward trend, higher than the world's savings rate
  - ✓ High savings will ensure sustained private consumption moving forward amidst moderate global economic growth
- ❑ Driven by real GDP gains and continued market capitalization, total HNWI's wealth also expanding and thus, provides potential for Islamic finance

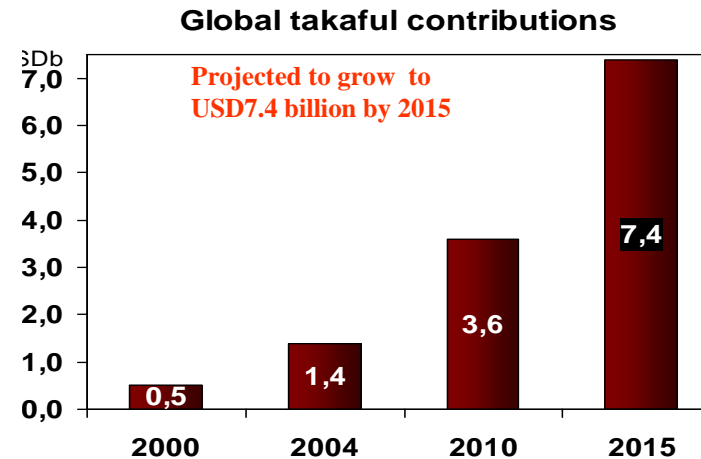


# Global Development of Takaful

Rapid expansion worldwide with potential for future growth...

- Global takaful market is expected to grow 15% - 20% per annum, to reach USD7.4 billion in annual contributions by 2015

Source: Islamic Finance News



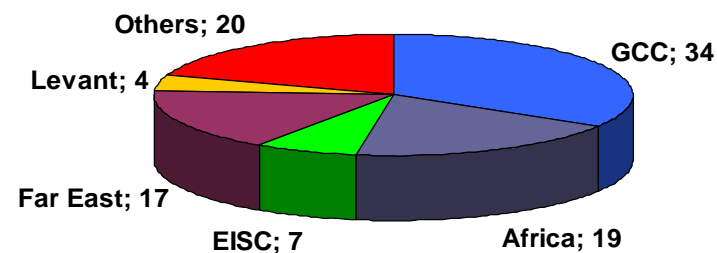
Source: Takaful Industry, Global Profile & Islamic Finance Review

... however, growth mainly focused on Muslim-dominated countries...

- Spread of direct takaful contributions in 2003.
  - Arab countries - 63%
  - Malaysia – 27%
  - Asia Pacific countries – 9%
  - Europe and USA – 1%

Source: Asia Insurance Review, March 2006

**Number of Takaful / Islamic Operators 2005**



Source: Middle Eastern Insurance Review, Jan 2007

**Total : 101**

## VISION –

To be The Knowledge Leader in Islamic Finance

---

## Mission

- Be in partnership with the Academia to jointly develop the Islamic finance industry
- Offer internationally recognized certification & post-graduate programs
- Elevate and advance Islamic finance knowledge to develop the Islamic finance industry
- Develop superior talent for the global Islamic financial system
- Serve as a nucleus for collaboration with other Islamic financial education centers
- Provide advice and input to support the Government and Public Sector
- Continuously supply competent Islamic financial services expertise to the Regulators
- Attract and retain best talents in the industry as its faculty members and key staff

## INCEIF Programmes

### Professional Certification

- Certified Islamic Finance Professional (CIFP)

### Post-Graduate Studies

- Specialist Masters
- Ph.D.

**Strategic alliances  
with local &  
international  
education institutes**

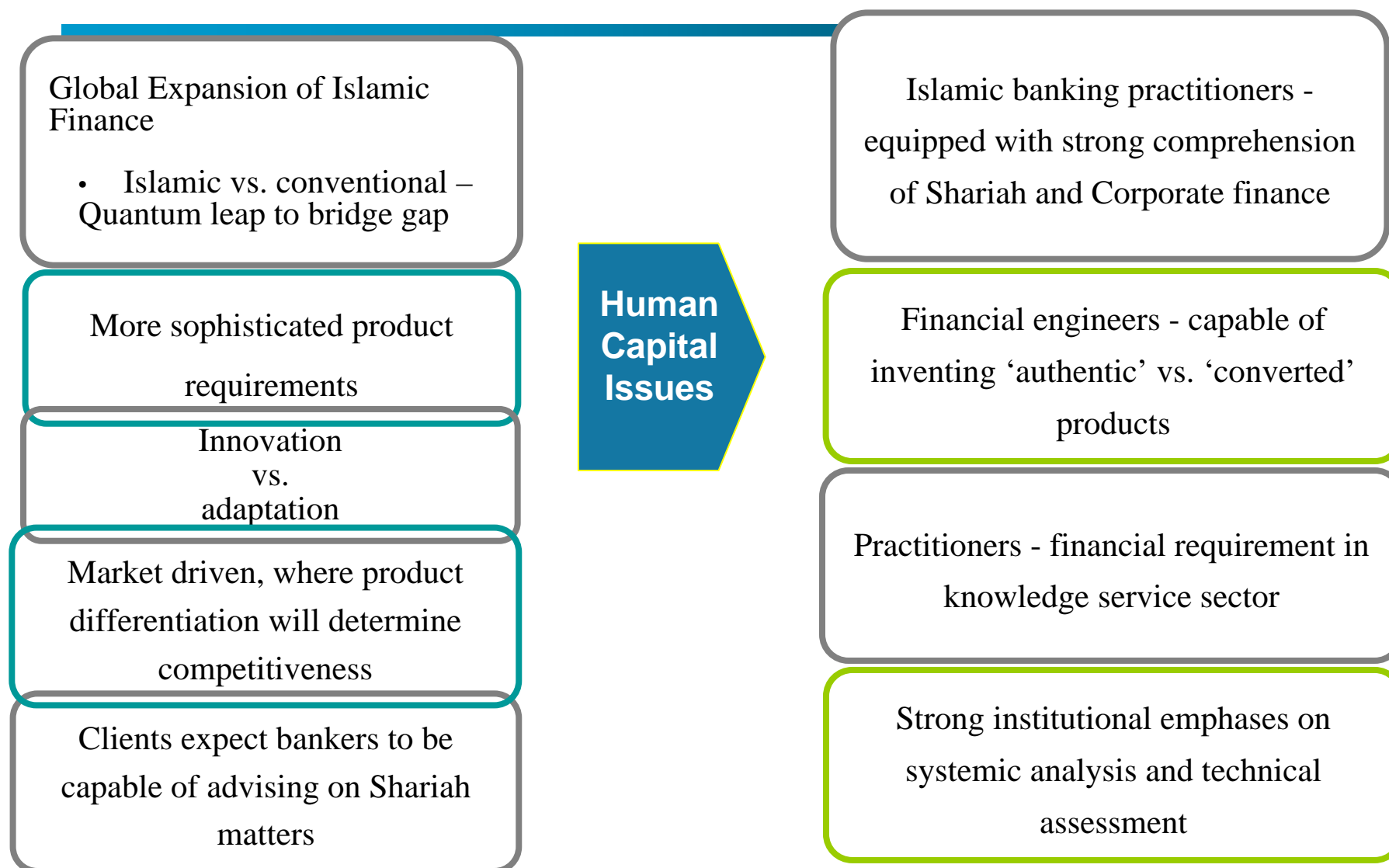
### Research & Publications

- Research projects
- Books & journals

### Continuous Professional Development

- Seminars & workshops
- Professional association activities

# Rationale for INCEIF



**CIFP**  
Certified Islamic  
Finance  
Professional

# Professional Modules (CIFP)

Part 1	Part 2	Part 3
<ul style="list-style-type: none"> <li>• Islamic Economics and Finance Theory &amp; Ethics</li> <li>• Islamic Financial Institutions and Markets</li> <li>• Islamic Finance Regulations and Governance</li> <li>• Applied Shariah in Financial Transactions</li> <li>• Deposits Mobilization and Financing Management</li> <li>• Wealth Planning and Management</li> </ul> <p style="text-align: center;"><b>ASSOCIATE MEMBER</b></p>	<p><b>Compulsory</b></p> <ul style="list-style-type: none"> <li>• Structuring Financing Requirements</li> <li>• Issuing &amp; Managing Islamic Securities</li> <li>• Shariah Audits and Compliance</li> <li>• Customer Relationship Management</li> <li>• Issues in Islamic Financial Institutions &amp; Markets</li> </ul> <p><b>Specialized (Banking)</b></p> <ul style="list-style-type: none"> <li>• Deposit &amp; Financing Practices of Islamic Banks</li> <li>• Managing Islamic Banks</li> <li>• Treasury and Risk Management for Islamic Banks</li> <li>• Legal aspects of Deposits &amp; Financing</li> </ul> <p><b>Specialized (Takaful)</b></p> <ul style="list-style-type: none"> <li>• Managing Takaful Institutions</li> <li>• Risk Management in Takaful</li> <li>• Operational Aspects of Takaful</li> <li>• Actuarial Concepts &amp; Practices</li> </ul> <p style="text-align: center;"><b>PROFICIENT MEMBER</b></p>	<p><b>Articleship</b></p> <p>Research projects</p> <p style="text-align: center;"><b>PRACTISING MEMBER</b></p>
<p><b>Pedagogical approach:</b> Self-study (on-site and online learning), exams, case studies, simulation</p>		<p><b>Hands-on activities &amp; role play</b></p>

Thank you all!

For more information

Please visit

[www.inceif.org](http://www.inceif.org)