

**Training Course on
“Islamic Banking and Diversification of Islamic Financial
Instruments”**

Welcoming Remarks

Director General of SESRIC

13 July 2020

09:30 am Turkey Time

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ
Distinguished Participants,
Ladies and Gentlemen,
السلام عليكم

- I am pleased to welcome you all to this training course on “Islamic Banking and Diversification of Islamic Financial Instruments”. This training course is organized within the framework of SESRIC’s Central Banks Capacity Building Programme (CB-CaB).
- Let me, at the outset, express my sincere thanks and appreciation to Dr. Dadang Muljawan SATRIA, Director of Islamic Economic and Finance Department at the Central Bank of the Republic of Indonesia for accepting our invitation to provide this important training course online for the benefit of participants from the Central Bank of Afghanistan, the Central Bank of Azerbaijan and

the Central Bank of Kazakhstan. We thank him for designating 5 days from his valuable time for this purpose.

- My deep thanks and appreciation are also extended to H.E. Mr. Vadim KHUBANOV, Deputy Governor of the Central Bank of Azerbaijan, to H.E. Dr. Mohammad Yusuf SALEEM, Director General of Islamic Banking and Financial Services of the Central Bank of Afghanistan and to Ms. Yermekova ELMIRA, Director of Training Centre of the Central Bank of Kazakhstan, for accepting our proposal to organize this training course online for the benefit of the staff of their Esteemed Central Banks.
- In fact, this training course has been initially planned to be organized physically as usual by sending experts to your Esteemed Institutions. However, due to the outbreak of COVID-19 pandemic, we decided to conduct this training course online instead of postponing it to later dates.

Dear Participants,

- As you all know, over the last three decades, Islamic finance has emerged as a high potential source and effective tool for financing development in addressing major development challenges in many

OIC member countries, including those related to the achievement of Sustainable Development Goals.

- The rapid transformation of Islamic Finance has been observed especially within the last decade as it has been recognised and accepted as a competitive and robust form of financial intermediation. However, despite its recent years of rapid growth, Islamic finance is still in its early stages of development in several OIC member countries. More convergence and harmonisation of regulatory standards is still needed in these countries to improve the long-term growth prospects of Islamic financial system.
- Islamic Finance has strong potential in reducing poverty, reinforcing shared prosperity and promoting both social and economic infrastructure development. While Islamic redistributive risk-sharing instruments such as Zakat and Awqaf have great potential to support small-sized social projects, Sukuk (Islamic bonds) can successfully finance large-scale infrastructure projects.
- Recognizing the significant role of Islamic finance in economic growth and development financing in the OIC member countries, we, at SESRIC, started to organize capacity building training activities on Islamic finance issues within the framework of the

Centre's Central Banks Capacity Building Programme (CB-CaB), which we launched in 2009.

- The Central Banks Capacity Building Programme (CB-CaB) of SESRIC aims at enhancing the technical cooperation among the OIC member countries in the field of central banking through facilitating the transfer and exchange of knowledge and experience by using different modalities such as short-term training courses (like this one), training workshops and study visits.
- I believe that this training course, which aims to provide insights into the fundamentals of Islamic finance, its principles and methodologies used in development and diversification of financial instruments, Islamic capital markets and Islamic insurance, will make a positive impact and add value to the work and experience of the participants.
- Before concluding, I would like to thank you all once again and wish you a fruitful exchange of experiences and successful training throughout the upcoming days.

Thank you, Wassalamualeykum.