

# Muscat Islamic Finance Forum opens

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By Bader al Kiyumi

MUSCAT — The Muscat International Islamic Finance Forum kicked off yesterday providing a unique platform for industry leaders to meet and discuss new possibilities and collaborations in Islamic banking and finance, with special focus on Oman.

The two-day forum lived up to its promise of bringing together an amiable environment that would enable networking and growth within the Islamic financial sector in Oman with knowledge sharing from leading industry experts.

The event saw huge interest and attendance of over 500 delegates and other attendees on the first day.

The event was presided over by His Highness Sayyid Assad bin Tareq al Said, Representative of His Majesty the Sultan, in the presence of ministers, under-secretaries and over 500 delegates including senior industry figures, global investors, takaful operators and bankers.

"It was because of the huge amounts of money that we have and the lack of shariah compliant ways of keeping this wealth that the creation of an Islamic bank-

ing system became necessary. Today Islamic banking has become largely accepted even by non-Muslims.

But we cannot just keep the money and earn nothing from it. Worse still when money is hoarded it depreciates in purchasing power (value) due to inflation. We need to find ways to deploy this wealth so that we get a return from it or at the very least we negate the effect of inflation, Mahatir Mohamed, former prime minister of Malaysia.

Discussing the success of Malaysia in optimising the use of Islamic finance

to achieve industrialisation and economic prosperity, he said, "Bereft of capital, know-how and technology, with no management skills and knowledge of the markets, Malaysia industrialised by inviting Foreign Direct Investments (FDI). Over the time Malaysians acquired the technology, manufacturing skills, capital and market knowledge and are able to industrialise without too much dependence of FDI."

He added, "The common problem faced by investors is uncertainty in the investment climate. Now that Islamic banking is available there is

no reason why Muslims cannot develop their countries."

Sulaiman al Harthy, Group General Manager, Meethaq Islamic Banking, Bank Muscat said: "Bank Muscat has taken major strides as part of its proposed Islamic banking operations.

The bank has assigned RO 150 million capital for Meethaq Islamic Banking, subject to approval from the Central Bank of Oman. As the nation's leading financial services provider, Bank Muscat is well positioned to provide Islamic financial expertise to diverse segments and thereby promote the good of society as a whole. The bank has in place a comprehensive strategy to effectively respond to the directive of His Majesty Sultan Qaboos on Islamic banking and thereby cater to the financial needs of people in accordance with the guidelines and regulatory framework prescribed by the Central Bank of Oman. The bank is proud to have on board some of the brightest minds in Islamic finance to chart the way forward".