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**Title : SPEECH AT THE LAUNCHING CEREMONY OF TAKAFUL IKHLAS**

Distinguished Guests,

Ladies and Gentlemen.

Assalamualaikum Warahmatullahi Wabarakatu,  
and Good Afternoon.

At the outset, allow me to express my appreciation to the organizers for inviting me to preside over the launching of the Takaful Ikhlas. It is gratifying to see members of the Takaful and insurance industries coming together on an occasion that seeks to address the issues that are at the core of Islam today.

2. As you are aware, we are in the midst of hosting the 10th Session of the Islamic Summit Conference. And it is indeed relevant that this event is taking place at the same time as the OIC Summit.

Ladies and Gentlemen,

3. The takaful brand of insurance is an example of a consumer-driven response for the need of consumers. For generations, Muslims around the world have grown with a mind set that insurance (especially life insurance) is taboo because it contravenes some of the tenets of Islam. In order to overcome this, Islamic Finance has been developed to give Muslims an alternative. This concept is not new, but it is only in the last few years where we have pushed forward the development of Islamic finance and inculcated this concept for consumers – for both Muslims and non-Muslims.

4. Takaful is still in its formative years. In 1985, the Grand Counsel of Islamic scholars in Makkah, Saudi Arabia, Majma al-Fiqh, approved the takaful system as the alternative form of insurance written in compliance with Islamic Sharia. However, the actual implementation of takaful was left for Islamic Scholars and insurers to resolve and develop. Since then, investors, entrepreneurs and insurers in turn have been taking this opportunity to take up the challenge of developing the insurance business on Islamic principles. After all Takaful is intrinsically in accordance with the indigenous consumer needs.

Ladies and Gentlemen,

5. Muslims in the world today find themselves lagging when it comes to the global marketplace. In many areas, we find that Western-based or Western-dominated companies are at the forefront of today's economy. During this OIC Summit, we have been working intensively with our Muslims brothers and sisters from around the world to find ways to overcome this.

6. One way is takaful. With takaful, Muslims can take greater risks in business and the marketplace. We find that many people think of takaful as being solely personal-injury insurance. It goes beyond that. It is also the insurance to protect Muslims and their communities. It provides a guarantee that Muslims can look forward to greater rewards in their lives without putting them in a position where they contravene their religion. In other words, takaful makes Muslims more competitive. The Ummah thus is strengthened through takaful.

Ladies and Gentlemen,

7. Takaful, as an industry has made tremendous leaps and bounds here in Malaysia. The impressive growth of this industry has been the result of the incredible efforts made by many sides. The Government, through its finance bodies and agencies have been actively encouraging the development of takaful and Islamic finance. The Government has been providing incentives in the form of favourable legislation and regulations for insurers to adopt and implement takaful practices.

8. I would not be serving justice however by not also giving credit to the private and semi-government sectors for their work in this. Organisations such as Syarikat Takaful Malaysia Berhad and Bank Islam for example remain at the forefront in propelling Islamic finance as a viable and halal alternative for Muslims. We are happy with the response from the private sector. They have provided new takaful products, giving people a larger choice in a matter that affects their daily lives, families and communities. The launching of Takaful Ikhlas here today is yet another alternative for consumers, and represents the healthy and vibrant takaful industry in our country.

9. On its own, Malaysian takaful represents approximately one quarter of the total global takaful industry. We can be honoured to say that Malaysia is leading the world in the development of takaful and Islamic finance in general.

Ladies and Gentlemen,

10. With the grace of Allah S.W.T and Bismillah Hir Rahman Nir Rahim, I officially launch the Takaful Ikhlas.

Thank you.

Wassalamualaikum Warahmatullahi Wabarakatu.