

Press Report

2nd AlBaraka International Summit in the United Kingdom: Gathering for Islamic Economy and Finance Pioneers

AlBaraka Forum for Islamic Economy convened the Second Global Summit in London titled, “Islamic Economy in The United Kingdom: Reality and Opportunities” during October 28 and 29, 2023, with the aim of reviving the understanding of the Islamic economy that began in United Kingdom and continuing to grow in an effort to expand the reach of Islamic economy to various governments and institutions, as well as shedding light on the growth and development of both Islamic banking and investment sectors in the United Kingdom, from UK to European countries and the world.

The Second AlBaraka Summit brought together those interested in Islamic economy from various sectors, including government representatives, policy makers, professionals, academics, investors, businessmen, the most prominent experts with brilliant economic minds, and representatives of major financial institutions concerned with the economy in general and the Islamic economy in particular.

During his opening speech, H.E Mr. Yousef Khalawi, Secretary General of AlBaraka Forum for Islamic Economy, highlighted the great role played by the late Sheikh Saleh Abdullah Kamel - founder of AlBaraka Forum, pioneer of Islamic economy in establishing a distinguished global platform for Islamic economy and finance, which consolidates the forum’s pioneering role, considered a beacon of knowledge concerned with Islamic finance around the world, emphasizing the role of the AlBaraka Forum in linking international economic entities and specialists from academics, professionals and researchers, which supports the application of the assets of Islamic economy and finance.

H.E. Mr. Khalawi, the Secretary-General of AlBaraka Forum added that the mission of people working in the Islamic economy sector is to constantly develop businesses in order to create well-being, social justice, and humanity service, praising the vision of the Islamic economy to create more societal equality and a better quality of life.

The Secretary-General concluded his speech by inviting all attendees to AlBaraka 44th symposium in 2024, in Al-Madinah - Saudi Arabia.

The opening speeches of the summit guests took turns following, during the opening ceremony, which was presented by Mr. Faraz Khan c – CEO and Partner of SpectrEco and Founder of Seed Ventures in London.

H.E. Naz Shah MP for Bradford West and Chair of the APPG on Islamic Banking and Finance, spoke on the role of legislative authorities and regulatory bodies in improving the Islamic economy in the United Kingdom during her opening speech.

The Parliament Member stated that there are 85% of the total European Islamic banking services in the United Kingdom, and in 2014 the United Kingdom became the first Western country to issue sukuk. She also added that there are approximately 4 million British Muslims in the United Kingdom, and there is no reason to prevents the United Kingdom to continue being a global leader in Islamic finance in Western Europe.

The opening speech was delivered by H.E. Dr. Bello Lawal Danbatta - Secretary General of Islamic Financial Services Board (IFSB), explaining the growth of the Takaful and Islamic insurance industry in the United Kingdom and its role in the growth of society and maintaining the prosperity of its individuals, explaining the importance of increasing awareness and increasing digital communication in the growth of the Islamic economy around the world.

During the opening remarks by H.E. Mr. Necmeddin Bilal Erdoğan, Chairman of İlim Yayma Foundation – Istanbul, he pointed out the important impact that the AlBaraka Forum has with its various activities and tracks, which positively affects awareness of Islamic economy methodologies and their dissemination worldwide, stressing that the approaches and applications of Islamic economy are not limited to countries with Muslims majority but contribute in creating a more sustainable, developed and resilient world, adding that Islamic finance is one of the fastest growing sectors in the global financial system, ending with Halal sector, whose revenues have exceeded 2 trillion dollars.

After the opening ceremony ended, Ms. Emb Hashimi, BBC journalist, broadcaster, host presented the summit's sessions consecutively, starting with Mr. Bashar Al-Natoor, Global Head Islamic Finance – Managing Director of Fitch Ratings, and his presentation on the Islamic economy in the United Kingdom.

Through the presentation on the Islamic economy in the United Kingdom, Mr. Bashar Al-Natoor discussed the leading role played by the United Kingdom in raising awareness to the Western world and the most important opportunities available in the industry, in addition to a set of challenges it faces in the United Kingdom, showing various dynamics of supply and demand translated into Islamic finance, mentioning the diverse clients who participate in the world of Islamic finance.

The second summit was held at the United Kingdom Hotel (JW Marriott Grosvenor House London) in the British capital - London, and highlighted the role of the government and research, intellectual and knowledge institutions in the field of Islamic economy.

During the first day, researchers in Islamic finance and economics and industrial finance chaired about five intellectual axes through the discussion sessions.

The first session of the summit was entitled “The Emergence of Islamic Finance and Banking: the Government Official Engagement”, was discussed by the session chair, Dr. Jonathan Ercanbrack, Chair at Centre for Islamic and Middle Eastern Law (CIMEL) and Senior Lecturer in Transnational Financial Law - SOAS University of London, Prof. Mohammed Abdel Haq, Director of the Centre for Islamic Finance at the University of Bolton and Ex-Member of the HM Treasury Islamic Finance Task Force, and Dr. Emir Camdzic, Course lead (MBA Islamic Insurance and Risk Management) at the University of Bolton, on The Legal Framework of Islamic Financial Services: The Regulatory Changes, The Official Engagement in the Islamic Economy Sectors: The Adoption of the New Developments in Islamic Financial Services.

The second session of the summit addressed the topic: “The Legacy of Islamic Economy: From the United Kingdom to the World the Foundations of Islamic Economics in Knowledge”. The session was chaired by Dr. Maged Mamdouh Kamel, Secretary-General of the Organization of Islamic Cooperation Arbitration Centre (OIC –AC), in the presence of Prof. Mehmet Asutay, Professor of Middle Eastern and Islamic Political Economy & Finance, Director MSc Islamic Finance Programme, Durham University- United Kingdom, and Prof. M. Kabir Hassan, Professor of Finance in the Department of Economics and Finance University of New Orleans – USA. The two speakers mentioned The Modern Islamic Economy Founding Fathers, The Global Expansion of Islamic Economics and Finance Education: from the East to the West.

While the third session of the summit raised the topic: “The Islamic Investment Solutions: the Impact, Channels, and Global Markets” through the discussions of the session chair, Dr. Sefian Kasem, Global Head of ETF & Indexing Investment Specialists HSBC Global Asset Management (UK) Limited, with Mr. Adnan Halawi, Senior Proposition Manager, Islamic Finance, London Stock Exchange Group, and Mr. Khalid Howladar, Chairman / Head Institutional DeFi MRHB, on Islamic Investment Solutions (Funds, Sukuk, and Stocks): Toward Sustainable and Compliant Investment, Islamic Decentralisation of Finance: Toward Financial Inclusion, and the Use of Technology to Provide Shariah-Compliant and Ethical Solutions.

The fourth session highlighted The Islamic Banking Sector: Toward Sustainability and Fulfilling the Societal Responsibility, which was discussed by the session chair, Mr. Richard G Thomas OBE, Managing Director at Sustainable Economy Limited, Dr. Arshadur Rahman, Senior Manager Bank of England, with Dr. Usman Chaudry, Chief Risk Officer and Executive Director, Gatehouse bank – UK, and Mr. Areeb Siddiqui, Founder & CEO of Kestrl Member of the Islamic Finance Task Force, on The Ethical and Sustainable Islamic Banking in the UK, Europe, and Beyond, Islamic Banking in the UK: Advancing Ethical and Responsible Banking, the Islamic Digital Banks, FinTechs, and Finance Entrepreneurs.

The sessions of the first day of the summit concluded with the fifth axis, titled “The Islamic Non-Profit Organisations in the UK: the Cooperatives and Socio-economics Applications” The session was chaired by Prof. Habib Ahmed, Sharjah Chair in Islamic Law and Finance Durham University – UK. Discussing with Dr. Sohail Hanif, Chief Executive of National Zakat Foundation, and Mr. Haroun Atallah, Chair at International Waqf Fund, about the experiences of Zakah: The Social Awareness, and the Charity Understanding, Awqaf: The Waqf Fund Experience and the Legal Framework.

At the end of the proceedings of the first day of the summit, Ms. Aalia Jafar, Director, International Relations, The Islamic Chamber of Commerce, Industry and Agriculture – ICCIA, stated in her closing Remarks, “With our strategic partnership with Albaraka Summit, we are excited to be part of this important program that is designed for sharing groundbreaking ideas and cutting-edge solutions shaping the future of the Islamic Economy industry”.

Noting to the promising future awaiting the Islamic economy and Islamic finance in the world, announcing the third summit in London in October 2024 titled, “Global Prospects for Islamic Economics: A Path to a Sustainable, Ethical and Innovative Global Economy.”

During the activities of the second day, the 2nd AlBaraka Summit in London held a professional workshop in cooperation with the Islamic Financial Services Board (IFSB), under the title “The Executive Programme on Effective Regulation and Supervision of Takaful Institutions”, the workshop was opened by Mr. Faizal Karbani Founder and CEO, Simply Ethical.

H.E Dr. Bello Lawal Danbatta, Secretary General of the Islamic Financial Services Board (IFSB), reviewed the concept of Takaful in general, referring to its contemporary frameworks and basic principles, such as: mutual support, donation, and avoiding prohibited investments, and Mr. Peter Casey, Consultant at the Islamic Financial Services Board (IFSB), highlighted the understanding of takaful industry and its modern structures, explaining the principles of Takaful and Islamic objections to conventional insurance, and mentioned modern takaful structures, the global takaful market, as well as governance, including Shariah governance and fiduciary responsibilities towards shareholders, capital adequacy, including loan issuances, segregation of funds, distributions from policyholders’ funds and future takaful opportunities.

Both of AlBaraka Group and the Islamic Chamber of Commerce, Industry and Agriculture (ICCIA) are the strategic partners of the Second AlBaraka Summit in London, while the Organization of Islamic Cooperation Arbitration Centre (OIC –AC) was the diamond partner of the summit, and they were honored by the Secretary-General, H.E Mr. Youssef Khalawi, in appreciation of their efforts. striving to achieve common goals in stimulating investment in Islamic Economy, greater than its current situation, and establishing the culture of knowledge projects to build local economies in accordance to developing and supporting Islamic societies.

According to Saleh Kamel Islamic Economy Database, the UK is a leading center for Islamic finance in the Western world. It has five Islamic banks, which account for about 30% of the total Islamic banks in Europe. UK also has a significant number of Islamic windows in traditional banks which are estimated to be more than 50% in the continent, and 53 growing fintech companies account for 65% of Europe and 11% of the whole world diversify between trading and investment companies, alternative finance, digital banks, social finance, etc.