

## **Muhammad bin Ibrahim: Outstanding contributions to the development of Islamic finance in Malaysia**

Welcoming remarks by Mr Muhammad bin Ibrahim, Governor of the Central Bank of Malaysia (Bank Negara Malaysia), at the Royal Award for Islamic Finance Gala Dinner and Award Presentation, Kuala Lumpur, 14 November 2016.

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Bismillahirrahmanirrahim.

Mengadap Seri Paduka Baginda Yang di-Pertuan Agong Almu'tasimu Billahi Muhibbuddin Tuanku Alhaj Abdul Halim Mu'adzam Shah ibni Almarhum Sultan Badlishah,

Seri Paduka Baginda Raja Permaisuri Agong Tuanku Hajah Haminah.

Ampun Tuanku beribu-ribu Ampun, sembah patik mohon diampun.

Patik serta seluruh dif-dif jemputan pada malam ini dengan penuh hormat dan takzimnya merafak sembah menjunjung kasih atas limpah perkenan Seri Paduka Baginda Tuanku berdua berangkat bercemar duli ke Majlis Makan Malam Anugerah Diraja Kewangan Islam Tahun 2016.

Ampun Tuanku.

Seterusnya patik ingin memohon perkenan Seri Paduka Baginda Tuanku untuk menyampaikan ucapan kepada para hadirin dalam Bahasa Inggeris.

KeBawah Duli Yang Maha Mulia Paduka Seri Sultan Nazrin Muizzuddin Shah Ibni Almarhum Sultan Azlan Muhibbuddin Shah Al-Maghfur-lah, Sultan of Perak Darul Ridzuan, and Duli Yang Maha Mulia Raja Permaisuri Perak Tuanku Zara Salim.

Your Royal Highnesses, Your Excellencies, Distinguished Guests,

Ladies & Gentlemen.

It is my pleasure to welcome the distinguished audience to the Gala Dinner for the Royal Award for Islamic Finance (RAIF) tonight, which is held to honor an individual for outstanding contributions to the growth and development of Islamic finance. Allow me to express our utmost gratitude to His Majesty Seri Paduka Baginda Yang di-Pertuan Agong and Her Majesty, and His Royal Highness Sultan of Perak Darul Ridzuan, the Royal Patron of Malaysia International Islamic Financial Centre (MIFC) and Her Royal Highness, for gracing tonight's Gala Dinner. Our sincere appreciation to Securities Commission Malaysia, for jointly hosting this dinner with Bank Negara Malaysia, under the Malaysia International Islamic Financial Centre (MIFC) initiative.

Since the introduction of the Royal Award for Islamic Finance (RAIF) in 2010 as a biennial event, it has given due recognition to three individuals. Tonight, another individual will be awarded the 2016 RAIF, for outstanding contributions in the development of Islamic finance.

The Islamic finance industry has continued to gain strength and stature, recording robust global growth of between 10 to 12 percent annually over the past decade. Amidst a highly challenging global economic environment, the growth reflects the steady advancement and maturity of the industry in meeting the needs of the economy. As we progress into the new era of growth, our endeavour to enhance the vibrancy of the industry warrants a new way of thinking in the face of increasing competition and profound changes brought about by technological advancements. In facing these challenges successfully, one of the prerequisites is a pool of talent that is dynamic, adaptable and visionary.

In Malaysia, we have invested substantially in cultivating talents equipped with the required skill sets and knowledge needed to compete, to think and to innovate. Over the last three decades in our journey to develop Islamic finance, a holistic infrastructural ecosystem devoted towards talent development has been conceptualised.

To move forward, we need to continuously create distinct value propositions for Islamic finance to chart into new areas of growth. In the case of Malaysia, the need for a new breed of talent is pressing, as we embark on an ambitious target of 40 percent market share for Islamic finance by 2020. The need is also evident at the global level, as many jurisdictions aspire to develop an Islamic finance centre of their own. It is from this perspective that it becomes even more critical for us to nurture the right talents with the best minds to propel the industry into the future, that is estimated to grow its financial assets to USD3.2 trillion by 2020<sup>1</sup>.

There is much we can derive from the lessons of history. Historical evidence showed that Islamic civilisation was driven by visionary thinkers and their propensity and ability to engage in vigorous intellectual discourses. Indeed, many of the breakthrough thinking, concept and ideas were only possible because of the conducive environment that emphasised intellectual rigour. Their contributions were immeasurable. Their wisdom and foresight were unsurpassed and far superior to others. In many cases they were a few hundred years ahead of their time. Ibnu Sina, Ibnu Rushd and Al Jabir were among the many legendary thinkers who not only excelled in one specific area of study, but in multiple areas of knowledge such as philosophy, science and theology.

The great thinkers of the past have indeed demonstrated exemplary intellectual qualities for us to emulate. The current highly competitive and demanding operating environment requires present-day Ibnu Sina, Ibnu Rushd and Al Jabir to formulate and develop solutions to the challenges faced by the *ummah*. Today, the definition of Shariah scholars is often understood in a narrow context where recognition is largely attributed to one's proficiency in the field of Islamic theocracy. However, the nature and challenges faced by society today demand a broader context of scholarly endeavours that necessitate a new cadre of Islamic finance scholars.

Such scholars, not only excel in their depth of Shariah knowledge and wisdom, but also possess knowledge in other related disciplines such as economics, finance and law.

The combination of technical knowledge and Shariah wisdom, together with a strong understanding in other disciplines would produce great thinkers who are able to translate theoretical reasoning into practice. These thinkers could contribute to the society with their contemporary innovative solutions, starting from even small ideas that could potentially bring incremental changes with bigger positive impact over the long run. Great thinkers of yesteryears were known for the audacity to think beyond the sphere of conventional wisdom to shift into a new paradigm that molded civilisation into the next leap forward.

A high standard of professionalism, laced with strong ethical values and integrity also form the prerequisites to create a new cadre of Islamic finance scholars. The pursuit for intellectual diversity and professionalism among scholars is best demonstrated through Shariah interpretations and lines of reasoning that evolve with peculiarity of circumstances, demonstrating a high degree of tolerance and respect of other Shariah school of thoughts. It is only by having talents with these ingrained ethics and characteristics that we could elevate Islamic finance to greater heights in our endeavour to improve the wellbeing of the *ummah*.

Tonight, as we commemorate this prestigious award, let us celebrate this year's and past years' winners for their contributions to drive the Islamic finance agenda forward. It is not just their academic and working credentials that merit them this award, but it is also their relentless pursuit of *al-falah* (success) through their drive, knowledge and wisdom.

I believe that this year's RAIF winner and past winners have paved the path for future talents of

Islamic finance to embark on breakthrough ideas and thinking. It is for this very reason, that this year's award is conferred to the visionary talents that had made impactful and significant contributions to Islamic finance.

On that note, I would also like to take this opportunity to record my appreciation to all steering committee members and the panel of jury of the Royal Award for Islamic Finance 2016, led by Yang Amat Berbahagia Tun Musa Hitam for their unwavering support and commitment.

Ampun Tuanku,

Demikianlah sahaja sembah ucapan patik, dan sebelum mengundur diri, patik sekali lagi merakamkan ucapan menjunjung kasih, kepada Seri Paduka Baginda Tuanku di atas limpah perkenan berangkat ke majlis pada malam ini.

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<sup>1</sup> Thomson Reuters estimation, June 2016.