pursuit of evaluating the current state of Muslim nations. In his closing remarks, Imam Feisal stressed that the book is in fact a stepping-stone for a living and ongoing project.

The speech was followed by a panel discussion, in which Prof. Mohammad Hashim Kamali pointed out that the concept of state in Islam, even though the Qur’an does not ordain any tangible model of governance, primarily involves overarching principles such as public benefit and welfare (maslahah), consultation (shura), justice (‘adl) and accountability (amanah). Therefore, presenting maqasid al-shari’ah as the core values of the new index, as well as the qualitative benchmark of a state, are laudable steps taken by the project. The discussion was followed by a question and answer session.

Inaugural Responsible Finance Summit
(Sasana Kijang, Kuala Lumpur, 30 - 31 March 2016)

Tawfique Al-Mubarak

Bank Negara Malaysia, the central bank of Malaysia, recently hosted the inaugural Responsible Finance Summit (RFS) at their headquarters in Kuala Lumpur on 30th and 31st March, 2016. The event was jointly organised by the Responsible Finance Institute (RFI) Foundation and Middle East Global Advisors.

Keynote speeches from two versatile leaders and advocates of responsible finance marked the opening of the summit on the first day. In her keynote speech, outgoing Governor of Bank Negara Malaysia, Tan Sri Zeti Akhtar Aziz, highlighted the importance of financial inclusion, and mentioned how responsible finance could connect the more than 2 billion adults who are currently excluded from any formal banking services. She remarked that the summit is an opportunity to unite in rebuilding trust and in providing the foundations of more stable and sustainable long-term economic growth. The second keynote speech was delivered by George Kell, the Vice Chairman of Arabesque Partner and Founder and former Executive Director of UN Global Compact. He emphasised that environmental stewardship, social responsibility, and good governance of the corporations are essential to promote responsible investments. Besides, recent research by Oxford University and Arabesque Partners concludes that sustainable and responsible investment and profit making can mutually co-exist.

The second day marked its opening with a powerful keynote address by His Royal Highness, Emir Muhammadu Sanusi II, Emir of Kano State in Nigeria. Also the former Governor of the Central Bank of Nigeria, the Emir was listed as one of the 100 most influential persons in 2011. In his keynote speech, he
shared his experience as the Central Bank Governor and stressed that responsible finance cannot exist in an irresponsible economic and political environment, where corrupt banking professionals affect the whole society. Therefore, diligent regulations, and committed and responsible regulators are required for creating a sustainable and responsible economic environment. Positive mindsets amongst the common people and political risks from the governments are necessary to change the paradigm.

The two-day Summit comprised nine panel discussions hosted by CEOs of corporations, thought leaders in responsible finance, and academics from across the globe. Dr. Zamir Iqbal from the World Bank underlined the need for contracts based on risk sharing principles, and reduction of debt-based contracts. Asset-based finance, activities linked to the real economy and patient capital, are necessary for creating a responsible financial eco-system. Dr. Azmi Omar from the Islamic Research and Training Institute (IRTI, member of the IDB group) stressed the government’s role and continuous support in enhancing responsible finance. Responsible finance, he argued will not be successful with a bottom up approach. Rushdi Siddiqui, Co-Founder and CEO of Zilzar Tech and a leading Islamic finance expert, mentioned the unparalleled significance of developing a knowledge-based economy for enhancing responsible finance.

Professor Akram Laldin, Executive Director of International Shari’ah Research Academy for Islamic Finance (ISRA), stressed that it is incumbent upon the Islamic financial institutions (IFIs) to think and go beyond the ‘halal’ or Shari’ah dimensions. Rather, responsible finance principles are well embedded in the core teachings of Islam. Professor Maliah Sulaiman from the International Islamic University Malaysia (IIUM) mentioned that the IFIs need to focus more on environmental issues rather than on common social issues (like CSR) in their reporting. This could increase awareness among the IFIs and strengthen their impact on society.

At the One-on-One panel with the CEO of SEDCO capital, Hasan Al-Jabri remarked that Prudent Ethical Investment (PEI) may be an effective roadmap towards the convergence of responsible finance and Islamic finance. While speaking on the impact and roles of leadership in developing responsible finance, speakers praised the Chinese government’s agenda on green financing, which requires mandatory ESG disclosure and disclosure of carbon footprints. Dr. Daud Bakar, CEO and President of Amanie Advisors, thought that finance being responsible means that it should be able to relate its activities to the man on the street. Corporations and investors should consider connecting further down, to the micro level, in order to fulfil their responsibilities. The Summit was attended by more than 400 participants from across the world.