



# Academic visit 2013

## The Middle East & Islamic Finance

# Academic visit 2013

## Objectives

- ❖ Dauphine Islamic Finance Executive Master organizes an academic trip to Bahrain and the UAE during April-May 2013
  
- ❖ The objectives are:
  - ❖ Strengthening the relationship with select professionals of the region;
  - ❖ Creating job opportunities for Dauphine students;
  - ❖ Implementing a research cooperation between Dauphine and the middle eastern financial institutions;
  - ❖ Promoting Dauphine Islamic Finance Executive Master in the region.
  
- ❖ The trip will take place from 2013 April 27<sup>th</sup> to May 8<sup>th</sup>
  
- ❖ Participants: 20 students

# Academic visit 2013

## Supports

Our first academic trip organized to the Middle East, in order to promote Islamic financial Institutions, is supported by:



❖ The ambassador of The Kingdom of Bahrain in Paris Nasser Mohamed Yusef Al Belooshi



❖ The embassy of the United Arab Emirates in Paris



❖ Paris EUROPLACE



❖ Bahrain Institute for Banking and Finance (BIBF)



❖ Chaabi Bank

CHAABI BANK

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❖ **First destination: The Kingdom of Bahrain**

❖ **Second destination: The United Arab Emirates (UAE)**

# The Bahrain part of the trip

## Why the Kingdom of Bahrain ?

- ❖ Bahrain is widely acknowledged as the first home of modern Islamic finance, with origins tracing back to the 1970s. The island kingdom's economy today is small, but very open;
- ❖ Widely regarded as the best-regulated financial centre in the Middle East, Bahrain has been the region's undisputed financial capital for more than 40 years. This position has been confirmed by the industry's enthusiasm for the kingdom as a key conference centre;
- ❖ Financial services currently make up 30% of Bahrain's GDP, and there are over 400 licensed financial institutions;
- ❖ Bahrain has been an innovator in Islamic finance and brought sukuk to the international market. It has the largest concentration of Islamic financial institutions in the world, including commercial, investment and leasing banks, insurance companies, and mutual funds;
- ❖ Bahrain plays host to a number of organizations central to the development of Islamic finance, including the Accounting and Auditing Organization for Islamic Financial Institutions, the General Council for Islamic Banks and Financial Institutions, the International Islamic Financial Market and the International Islamic Rating Agency;
- ❖ Bahrain's Islamic Finance sector has averaged a 15-20 percent annual growth rate over the last five years.

# The Bahrain part of the trip

## Institutions to be visited

Institution's name	Description
	<p>Created in 1990 and based in Bahrain, the <b>Accounting and Auditing Organization for Islamic Financial Institutions</b> is an Islamic international independent non-for-profit corporate body which is dedicated to promote and to develop accounting, auditing, governance, ethics and Shari'a standards for Islamic financial institutions and the industry. AAOIFI plays a pivotal role in developing and supporting the Islamic finance industry.</p>
	<p><b>International Islamic Financial Market (IIFM)</b> is the international Islamic financial market's organization focused on the Islamic Capital &amp; Money Market (ICMM) segment of the Islamic Financial Services Industry (IFSI). Its primary focus lies in the standardization of Islamic financial products, documentation and related processes at the global level.</p>
	<p>The <b>Central Bank of Bahrain</b> is a public corporate entity created in 2006. The CBB is responsible for maintaining monetary and financial stability in the Kingdom of Bahrain.</p>
	<p><b>Kuwait Finance House-Bahrain</b> is a leading provider of Islamic commercial and investment banking services. Established in January 2002 as a wholly owned subsidiary of Kuwait Finance House-Kuwait, an industry leader for more than 30 years and specializes in conceptualizing the development and introduction of innovative, sharia'a compliant banking and investment products, all of which are delivered by a staff of experienced and dedicated professionals that are empowered to think innovatively and act strategically.</p>
	<p><b>Al Salam Bank-Bahrain B.S.C. (ASBB)</b> has a critical position in the Islamic Banking arena in providing innovative products and unique solutions that meet the diverse &amp; ever increasing needs and demands of its retail, corporate and institutional customers who can benefit from the following banking services: Wealth Management, Retail Banking, Corporate Banking, Financial Markets Services, Corporate Investments, Real Estate Investments, Product Structuring or Legal Services.</p>

# The Bahrain part of the trip

## Institutions to be visited

### Institution's name

### Description



**Al Baraka Islamic Bank - Bahrain (AIB - Bahrain)** was established in 1984 in Bahrain and has pioneered the development of Islamic banking and finance. AIB – Bahrain, supported by the long tradition of strength and robust financial position of its parent company ABG, counts on quality of investments, strength of performance and a sound financial position. The Bank has enjoyed a commendable market reputation as the leading short-term liquidity manager for institutional investors.



**Islamic International Rating Agency (IIRA)** is the sole rating agency that plays a pro-active role in the development of Sharia compliant financial markets by providing an assessment of the risk profile of issuers and instruments that can be used as a basis for investment decisions. IIRA mission is to provide information and independent assessment with regard to Sovereign and Credit Ratings, Shari'a Quality Ratings and Corporate Governance Ratings. IIRA is an alternative to the international agencies and its goal is to become a reference on which investors and financiers can rely to achieve "Quality" in terms of compliance with the related Shari'a rules and principles for financial services marketed as "Islamic".



**KHCB** is a Retail Islamic Banking which offers a range of banking and Investment products and services to high net worth individuals, corporate entities, and financial institutions. These include commercial and corporate banking, wealth management, structured investment products and project financing facilities. The bank seeks to expand its network of strategic alliances with other financial institutions and business partners to source new and mutually beneficial investment and financing opportunities



**BNP Najmah** is the Islamic Finance division of the Group. It services business lines of the bank in offering Islamic products to their clients. BNP Paribas was among the leading banks in recognizing the importance of Islamic Banking. Active in the industry since the early 1980s, it established BNP Paribas Najmah in 2003 in the Kingdom of Bahrain as a global entity with the mission of providing Islamic solutions within its chart of excellence worldwide.

❖ **First destination: The Kingdom of Bahrain**

❖ **Second destination: The United Arab Emirates (UAE)**

# The UAE part of the trip

## Why the UAE ?

### United Arab Emirates : a global center of Islamic Finance

- ❖ Home to most of the world`s top banks, with a strong, cost-competitive and international business environment, excellent infrastructure and air links, not to mention its strategic commercial position, Dubai is regarded as the leading business platform in the Middle East. It is also viewed as a regional hub for Islamic finance;
- ❖ Emirates Islamic banks played an important role in the development of the global Islamic banking industry;
- ❖ UAE Islamic banks play a major role in financing infrastructure projects, residential properties and corporate expansion.

# The UAE part of the trip

## Institutions to be visited

### Institution's name

### Description



Thirty years ago, **Dubai Islamic Bank** created history by becoming the world's first Islamic Bank. DIB has evolved from a retail bank to a fully fledged bank catering to almost all the requirements of its customers in providing Sharia-compliant solutions to major local and international companies. It has constantly upgraded its services to private individuals. DIB has been financing landmark properties across the UAE such as the Jumeirah Beach Residence and the Dubai International Airport.



**Islamic Arab Insurance Company** a leader in the field of Sharia Compliant Takaful solutions and the world's largest Takaful and Re-Takaful player. Salama has the experience, the expertise, the technology and an unsurpassed commitment to customer service , which makes it a leading company for Takaful solution provider.



Launched in 2004, **Emirates Islamic Bank** was formed to provide the highest standards of Islamic banking services in the UAE. Following the highest standards of Sharia compliance, set by their Sharia Board, They offer a broad range of products and services, designed for individuals and small businesses as well as large corporations.



**Abu Dhabi Islamic Bank** was established on 20th May 1997 as a Public Joint Stock Company through the Amiri Decree No. 9 of 1997. The Bank commenced commercial operations on 11th November 1998, and was formally inaugurated by His Highness Sheikh Abdullah Bin Zayed Al Nahyan, UAE Minister of Information and Culture on 18th April 1999. All contracts, operations and transactions are carried out in accordance with Islamic Shari'a principles.



**Natixis** is a key player in the banking sector in France and Europe, offering services centered around three core businesses : Corporate & Investment Banking, Investment Solutions and Specialized Financial Services. Natixis' current long term ratings by the rating agencies are: Standard & Poors: A+ and Moody's: Aa3. Natixis offered services in Shari'a compliant liquidity management backed by AA-rated bank balance sheet.

# The UAE part of the trip

## Institutions to be visited

Institution's name	Description
	<p><b>Standard Chartered</b> was formed in 1969 through the merger of two separate banks, the Standard Bank of British South Africa and the Chartered Bank of India, Australia and China. These banks had capitalized on the expansion of trade between Europe, Asia and Africa. The bank is listed on the London, Hong Kong and Mumbai stock exchanges, and rank among the top 20 companies in the FTSE-100 by market capitalization.</p> <p>Standard Chartered operates in Consumer banking, wholesale banking, SME banking, Islamic banking and online banking.</p>
	<p><b>Standard and Poor's</b> is a global rating agency that has offices in 23 countries and a history that dates back more than 150 years. It is known to investors worldwide as a leader of financial- market intelligence. Today Standard &amp; Poor's strives to provide investors who want to make better informed investment decisions with market intelligence in the form of credit ratings, indices, investment research and risk evaluations and solutions.</p> <p>In the Middle East, Standard &amp; Poor's provides services to the local markets from its office based in Dubai. Its services include the provision of independent credit opinions, indices, risk evaluation, fundamental and quantitative investment research and analysis solutions, data services, fund management ratings and securities information. This regional focus and expertise resulted among others in the launch of the GCC regional rating scale in 2010 and S&amp;P/Hawkamah ESG Pan Arab index.</p>
	<p><b>The Central Bank of the UAE</b> was established, at the first stage, under the name of UAE Currency Board on 19th May 1973. The Central</p>

# The UAE part of the trip

## Institutions to be visited

Institution's name	Description
	<p>The <b>Dubai Multi Commodities Centre (DMCC)</b> is the free zone authority for the JLT Free Zone. It was established in 2002 as a strategic initiative of the government of Dubai with a mandate to provide the physical, market and financial infrastructure required to set up a commodities market place in Dubai. As of December 2012, it had over 5,700 registered members including both commodities and other businesses.</p>
	<p><b>Simmons and Simmons</b> was founded in the City of London in 1886 and opened its first international office over 50 years ago. Today, it operates in key financial centres across Asia, Europe and the Middle East and has a strong track record of delivering high quality legal services to clients in some of the fastest growing markets in the world, including UAE.</p>
	<p><b>Dubai International Financial Center (DIFC)</b> is the onshore finance and business hub connecting the region to the world, and the world to the region. Its mission is to promote the growth and development of financial services and related sectors within the UAE economy and to provide state of the art infrastructure and competitive services to its stakeholders.</p>
	<p><b>Citi</b>, a leading global bank, has approximately 200 million customer accounts and does business in more than 160 countries and jurisdictions. Citi provides consumers, corporations, governments and institutions with a broad range of financial products and services, including consumer banking and credit, corporate and investment banking, securities brokerage, transaction services and wealth management. Citi has been present in the Middle East for more than 50 years primarily through Citibank. In 2006, Citi opened its regional Middle East office at Dubai International Financial Centre (DIFC) following approval by the Dubai Financial Services Authority to operate as an authorized firm at the DIFC in mid 2006. Today, the DIFC houses Citi's Middle East Division management, Investment Banking and Equity businesses in the MENA region along with Islamic Banking and non-UAE regional banking businesses</p>

## The UAE part of the trip

### Conference at DIFC

- ❖ We are planning to organize a conference at DIFC, for 2 hours, opened to the public, on May 6<sup>th</sup>. Our intervention will deal with the following subjects:
  - ❖ Keynote address: presentation of the University and the executive master in Islamic Finance
  - ❖ Presentation of the Islamic Finance industry in France
  - ❖ Presentation of several initiatives of Islamic Finance products launched in France
  - ❖ Executive Master students professional presentation
  
- ❖ Before our conference, a country-risk seminar (given in french) will be taught by **Anouar Hassoune**. Anouar is an expert in Islamic Finance, he spent 11 years in the rating industry (Standard & Poor's, Moody's) where he contributed to the expansion of the rating of Middle East issuers. He was also highly involved in the elaboration of analytical methods used for the rating of Islamic financial institutions and sukuk.

