

**CLOSING SPEECH**  
**BY**  
**PROF DR MOHAMAD AKRAM LALDIN**  
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**AT 4<sup>TH</sup> ISLAMIC FINTECH DIALOGUE (IFD)**  
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In the name of Allah, the Most Gracious the Most Merciful. All praise and glory belong to Allah. May His peace and blessings be upon our Prophet Muhammad, his family and his companions and all those who follow him.

السلام عليكم ورحمة الله وبركاته

Firstly, I would like to extend my gratitude and appreciation to the organizing committee, starting with the International Shari'ah Research Academy for Islamic Finance (ISRA) and the Global University of Islamic Finance (INCEIF), for putting together such a prestigious event. Special thanks to His Excellency Prof. Dr. Koutoub Moustapha Sano, Secretary-General of the International Islamic Fiqh Academy, Ms. Sharifatul Hanizah Said Ali - Executive Director, Islamic Capital Market Development, Securities Commission Malaysia (SC), Dr. Hayat Sindi, Senior Adviser for Science, Technology and Innovation to the President, Islamic Development Bank (IsDB), respected Shari'ah scholars and experts, representatives of Islamic banks and financial institutions, all our esteemed participants for their active participation and contributions to the success of this hallmark annual forum. It would be highly commendable for this event to continue and keep serving as a milestone of the Islamic fintech industry globally. On that note, I would like to commend the Central Bank of Malaysia (BNM) for its continuous support of this event and its efforts to explore issues of Islamic fintech and do its utmost to develop it to meet international challenges.

Therefore, allow me to extend my sincere thanks to the Central Bank of Malaysia for this continuous support. Special appreciation goes also to our sponsors RAM Rating Services Berhad, ISRA Consulting (IC), Association of Shariah Advisors in Islamic Finance (ASAS) and our supporting partners Universiti Utara Malaysia (UUM) and MIFC for their active participation and contribution to the success of this event.

Ladies and gentlemen,

This event has become a platform for scholarly discussion that brings together leading Islamic finance scholars and Islamic fintech experts to discuss current issues and challenges of the Islamic fintech industry at the global level. I hope that Islamic finance scholars and experts from the fintech industry have done their utmost in discussing these important topics in this dialogue. *Alhamdulillah*, we strove successfully to ensure the participation of speakers and participants with the requisite knowledge and field experience to provide quality contributions on these important subjects in the different sessions of this dialogue. I strongly believe the speakers and participants have contributed to the success of this forum and the achievement of its objectives.

Respected scholars and participants,

Throughout this forum, the focus of the 4th Islamic Fintech Dialogue (IFD2021) has been on Sustainability and Inclusivity through Islamic Fintech. The speakers have shared regional and global insights on current trends and developments in the Islamic Fintech industry, focusing on areas such as: Maqasid al-Shariah of Islamic Fintech, Green and Sustainable Financing, and Financial Inclusion.

The event has also provided an overview of the role that can be played by Islamic social finance in the context of sustainability.

Today as we conclude this forum that brought together eminent scholars and industry experts from various jurisdictions, it indicates that the industry is moving in the right direction. To support this endeavour, four (4) attributes come to mind on how Islamic fintech can play a catalytic role in the movement towards sustainability and inclusivity:

First, the emergence of fintech should trigger more innovations among the Islamic finance industry players and promote creativity by providing new perspectives and practices in financial transactions. In this regard, Shariah scholars should understand the technical aspects of sophisticated financial instruments and the implementation of fintech in Islamic finance to keep pace with the developments taking place in the market. Shariah scholars and industry players must work together to produce innovative Shariah-compliant products that fulfil the needs of the society and help in realizing the SDGs.

Second, zakat and waqf institutions can leverage on the infrastructure provided by IFIs to develop new sustainable products. In the same way, Islamic financial institutions should be proactive in employing zakat and waqf in providing products that suit certain underserved categories in the society. Unlocking the potential of Islamic social finance instruments such as zakat, waqf and *ṣadaqah* through Islamic fintech could play an efficient role in alleviating poverty, empowering vulnerable groups in society, and ultimately enhancing the contribution of Islamic social finance to meeting sustainable development needs.

Furthermore, the issuance of sustainable and green sukuk can play a vital role in addressing different socio-economic development issues including those posed by Covid-19. For instance, the Ministry of Finance in Malaysia recently issued the country's first digital sukuk, the RM500 million Sukuk Prihatin under the National Economic Recovery Plan (PENJANA). The issuance was in response to requests from many quarters to contribute to the country's economic recovery efforts and post-recovery measures of the Covid-19 pandemic.

The proceeds from the Sukuk Prihatin will be channelled to the Covid-19 fund for the implementation of economic recovery measures that include, among others, research grants for infectious diseases.

Third, the Maqasid discussion in the financial sphere should be extended to integrate various sustainable development instruments (that is, SRI, ESG and VBI) and provide a grand framework that integrates SDGs and *maqasid al-Shariah* and provides direction for how financial transactions should be arranged in an Islamic economic system. By pursuing sustainable development instruments such as SRI sukuk and Shariah-compliance hand-in-hand, the Islamic finance industry would benefit from a larger investor base and gain broader mainstream relevance.

Finally, Islamic finance institutions should leverage on fintech as a transformational force in financial services and integrate it into Islamic financial operations, which will undoubtedly influence financial inclusion positively and, more broadly, will boost social and economic inclusion.

My respected brothers and sisters,

It is my fervent hope that this platform will continue to spearhead a constructive discourse on Islamic fintech issues for greater benefit to the global Islamic finance industry. In closing, I would like to thank the organizing committee from ISRA for raising this important topic that emphasizes the sustainability and Inclusivity through Islamic Fintech.

On that note, we once again extend our appreciation to all participants, and until we meet again, I send you my sincere greetings.

Thank you,

*Wa billahi tawfik walhidayah wassalamualaikum warahmatullahi wabarakatuh.*

Prof. Dr. Mohamad Akram Laldin

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