

ADFIMI – UDBL JOINT WORKSHOP on ESSENTIALS OF ISLAMIC BANKING

Serena Hotel, Kampala, Uganda
18-19 April 2017

BACKGROUND

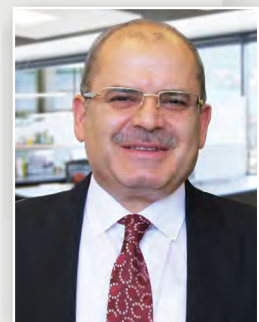
Uganda recently passed a legislation allowing the establishment and development of Islamic Finance in the country. The Banking sector is now preparing to introduce Islamic Banking products and services. Responding to this new development, the Uganda Development Bank Limited, an old time member of ADFIMI, is organizing a joint seminar on Islamic Banking aimed at enlightening colleagues in the banking sector as well as legislators, bank regulators, legal bureaus and potential users of Islamic Finance. The main purpose of the seminar is to equip participants with the fundamental principles of Islamic Banking as the market prepares to roll out the products. Although there are some similarities between Islamic and conventional banking models, the two also have fundamental differences. The conventional model is debt-based and operates mostly using the interest rate. Whereas the Islamic banking model prohibits interest and operates on the basis of profit sharing, and losses that accrue, if any, with the clients. Islamic banking has gained prominence internationally due to its exponential growth and resilience to financial crises. This is in addition to the nature of Shari'ah-compliant finance models that focus on the principles of investment in real assets and risk-sharing. The Islamic finance model has thus contributed to the proliferation of real-asset-based finance principles in many jurisdictions and is regarded as an ideal option for the financing of infrastructure projects. Although Uganda is late comer to the Islamic finance industry relative to other countries within East Africa, it has the comparative advantage of being the member of Islamic Development Bank (IDB). This gives an edge to Uganda over non-member countries and as a result the country can easily become a hub for Islamic banking in East Africa by attracting institutional technical support and long term capital from IDB. It is against such a backdrop that UDB and ADFIMI are organizing the two-day workshop.

EXPECTED OUTCOME AND PROSPECTS

The participants will be exposed to the main features of Islamic banking and finance (IBF), and its products and services. The prospect of the IBF industry in Uganda is promising. IBF is largely inclusive and thus has wider markets for savers and investors. It offers acceptable savings products that reward risk better through a share of project profits and thus making more finance available for projects with better risk price characteristics. Uganda will benefit a lot from IBF as a viable industry that will create new investment opportunities and markets that are critical for sustaining the country's impressive economic growth for several decades now. New investments will provide capital for public and private projects, create jobs, ease the growing deficit induced by inflationary volatile shilling depreciation, and finance export growth.



Ms. Patricia Ojangole
MBA, FCCA, CPA, CEO,
Uganda
Development Bank Ltd.
Kampala – Uganda



Mr. Mehmet Emin Özcan
ADFIMI CHAIRMAN
Vice Chairman
of
Vakıfbank Turkey

RESOURCE PERSONS



Dr. MUSTAFA OMAR MOHAMMED

Dr. Mustafa Omar Mohammed is presently an Associate Professor at the Department of Economics, International Islamic University Malaysia [IIUM] where he has been teaching for more than 15 years now. He has published more than 40 refereed journal articles and presented more than 70 papers, mostly at international conferences. He is actively involved in funded and commissioned research projects. His present research areas of interest are in Waqf, Zakat, Islamic Microfinance and Maqasid al-Shari'ah. He has supervised more than 45 dissertations at PhD and Master Levels. He is also a journal editorial member and reviewer panel to 11 academic entities. He has received several quality awards for teaching and research. He was part of a committee responsible for setting up the Institute of Islamic Banking and Finance and recently, the Department of Islamic Finance at IIUM. He also has long experience in translations, Arabic and English. He undertook projects for several organizations, including MIFC, IBFIM, AIBIM, IFSB - affiliates of the Central Bank of Malaysia. He offers consultancy and has conducted several training on Islamic economics, banking and finance in several countries including Kazakhstan, Singapore, Sri Lanka, Bangladesh, Philippines, Indonesia, South Africa and Uganda. Dr. Mustafa holds a Bachelor and Master degrees in Economics from IIUM and PhD in Finance from Universiti Sains Malaysia.



Mr. MUSTAPHA HAMAT

Mr. Mustapha Hamat has over 40 years experience in the banking and finance industry, with 30 years in the Islamic banking field. His major contributions to the industry include the setting up of the first Shariah-based bank in Malaysia. His involvement in the industry started long before the incorporation of the first Shariah-based bank in Malaysia. He was deeply involved in laying the framework for the successful implementation of Shariah-based banking system in Malaysia as well as internationally.

Upon his retirement as CEO of the Institute of Islamic Banking and Finance (IBFIM) he was appointed as "Distinguished Academic Fellow" of the Institute of Islamic Banking and Finance, International Islamic University, Kuala Lumpur (IIIBF). Besides his position at the university, Mustapha is also the Islamic Development Bank (IDB) and United States Agency for International Development (USAID) expert adviser advising the Government of Kyrgyzstan and Afghanistan respectively, on the implementation of Islamic financial system.

Prior to joining IBFIM, he was the Senior Consultant at the Malaysian Accounting Standards Board (MASB) developing among others, Islamic Accounting Standards for the country. Prior to his stint at MASB, he was the General Manager of the Finance Division and later the Retail Banking Division of Bank Islam Malaysia Bhd. (BIMB), the first Islamic bank in Malaysia for 18 years. Mustapha is an accountant by profession. He obtained a Master of Business Administration from Brunel University, United Kingdom in 1990. He holds a post-Graduate Diploma in Accounting and a Bachelor in Economics from the University of Malaya. He also has the Shahada Ulya from Muslim College Malaya.



Mr. LUJJA SULAIMAN

Lujja Sulaiman is a Ugandan working as manager, Shari'ah Compliant Department, Tropical Bank Limited, Uganda. He is a Senior Trainer with Islamic Banking & Finance Institute of Malaysia (IBFIM), a Central Bank of Malaysia initiative on Islamic finance training & advisory. He teaches Islamic Finance courses at Islamic University in Uganda, Kampala Campus.

Previously, he worked as accountant, Madinah International Development Agency, Saudi Arabia. He headed the Islamic Banking & Finance department at Islamic University in Uganda. He designed three NCFE's accredited Islamic finance programs adopted by Universities in Uganda i.e.; Bachelor of Islamic Banking & Finance, Masters in Islamic Banking & Finance, and Postgraduate Diploma in Islamic Banking & Finance. He conducted an expert review of Islamic banking component of the Financial Institutions (Amendment) Bill No.16 of 2015.

He has a PhD in Islamic Banking & Finance from the Institute of Islamic Banking & Finance, International Islamic University Malaysia. He has a Masters of Business Administration (Islamic Banking & Finance) from the Graduate School of Management, International Islamic University Malaysia. He has a Bachelor's of Shari'ah from Islamic University in Madinah, Saudi Arabia. He has a Bachelor's of Business Studies (accounting) from Islamic University in Uganda.



Dr. TAHA AHMAD KASULE

Dr. Taha Ahmad Kasule is currently a Lecturer at the department of Islamic Banking and Finance at Islamic University In Uganda (IUIU). He obtained a BSc (Econ) degree from Makerere University in 1999, followed with a Master of Arts in Economic Policy Management (MAEPM) in 2006 from the same University. In 2015, he completed his PhD (Economics) at the International Islamic University Malaysia (IIUM). He has taught Islamic Economics and Finance, both at IIUM and IUIU. In addition he has attended and presented papers at various International conferences on Islamic Economics and Finance. While in Malaysia for his PhD program, he worked as a researcher under Malaysia's EPP7 project on Islamic Finance Education (Talent Development Initiative). In 2016, Dr. Taha was the lead trainer in a 2-weeks Islamic Finance In-house course at Cairo International Bank in Kampala. He has won various awards for papers presented at different conferences and best employee awards at his places of work.

SCHEDULE

ADFIMI – UDBL JOINT WORKSHOP ON “ESSENTIALS OF ISLAMIC BANKING”, KAMPALA, UGANDA, 18-19 APRIL 2017

Day 1 (18 April 2017)		
Event	Time	Description
Registration	08:30 – 09:00	Registration
Welcoming Remarks	09:00 – 09:15	ADFIMI & UDBL
Inauguration of the Workshop	09:15 – 09:30	Mrs. Justine Bagyenda-Executive Director, Supervision Directorate, Bank of Uganda
Session 1	09:30 – 10:00	Islamic Economics and Finance: How it differs from the conventional? Speaker: Dr. Taha Kasule, Islamic University in Uganda, Kampala, Uganda
Session 2	10:00 – 10:45	Islamic Banking Principles and Contracts [Murabahah, Ijarah, Salam, Istisna, Musharakah, Mudharabah and Muzaraah] Speaker: Assoc. Prof. Dr. Mustafa Omar Mohammed, IIUM
Networking Break and Photo Session	10:45 – 11:30	
Session 3	11:30 – 12:30	Islamic Modes of Finance I Retail Banking [Home financing] Corporate Financing [Working Capital] Speaker: Dr. Lujja Sulaiman, Manager, Shari'ah Compliance Department, Tropical Bank Limited, Uganda
Lunch Break	12:30 – 14:00	
Session 4	14:00 – 15:30	Islamic Modes of Finance II Takaful + Sukuk Speaker: Assoc. Prof. Dr. Mustafa Omar Mohammed, IIUM
Networking Break	15:30 – 16:00	
Session 5	16:00 – 17:30	Practice of Islamic Banks in the application of Islamic Modes of Finance. Pricing transactions linked to interest rate benchmark, Country Experiences. Speaker: Mr. Mustapha Hamat, Board Member, Hong Leong MSIG Takaful Berhad

DAY 2 (19 April 2017)		
Event	Time	Description
Session 6	09:00 – 10:30	Shariah Supervisory Board. Why and how it is formed; How it functions? Issues related to the decisions of the Supervisory Board, Country Experiences. Speaker: Dr. Lujja Sulaiman, Manager, Shari'ah Compliance Department, Tropical Bank Limited, Uganda
Networking Break	10:30 – 11:00	
Session 7	11:00 – 12:00	Legislation necessary for the establishment of Islamic Banks; Role of Central Bank and Treasury, Country Experiences. Speaker: Mr. Mustapha Hamat, Board Member, Hong Leong MSIG Takaful Berhad
	12:00 – 12:30	Participation Banking in Turkey and Ziraat Participation Bank Speaker: Mr. Fehmi Tutulmaz, Head of Financial Institutions & Investment Banking, Ziraat Participation Bank
Lunch Break	12:30 – 13:30	
Session 8	13:30 – 15:00	Infrastructure for an Islamic Bank, Country Experiences. Speaker: Mr. Mustapha Hamat, Board Member, Hong Leong MSIG Takaful Berhad
Networking Break	15:00 – 15:30	
Session 9	15:30 – 16:15 16:15 – 17:00	HRD for Islamic Banking Who is Who in Islamic Finance and Banking Speaker: Assoc. Prof. Dr. Mustafa Omar Mohammed, IIUM
Closing Session	17:00 – 17:30	Closing Remarks and Certificate Ceremony

INFO on ORGANIZERS



ADFIMI

Established in 1986, ADFIMI, Association of National Development Finance Institutions in Member Countries of Islamic Development Bank, is an international non-profit association serving around 50 members in 19 countries with headquarters in İstanbul. The main objective of ADFIMI is to establish networking and solidarity among its members and capacity building of its member institutions. In this context, ADFIMI organizes seminars / workshops / conferences for its members in various cities in its region (like İstanbul, Karachi, Kuala Lumpur, Amman, Tehran, Baku, Cairo, Ouagadougou, Asghabat, Beirut, Dakar, Sarajevo, Prishtina, Lome, Dushanbe, Damascus, Khartoum, Dhaka, Girne, Islamabad, Kuwait City, Antalya, Tirana, Kampala, Dubai, Almaty, Maldives, Muscat, Tunis).

ADFIMI aspires to be “a forum for development”.

ADFIMI's Contact Details:

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Sultanhamam, Eminönü, 34116, İstanbul, Turkey

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Uganda Development Bank Limited (UDBL)

Uganda Development Bank Ltd (UDBL) is the designated policy Development Finance Institution (‘DFI’) in the country, with the mandate of Promoting and Financing development projects in the key growth sectors of Uganda’s economy.

The Bank is 100% owned by the Government of Uganda. Being a National Development Finance Institution, the Bank is at the center of driving the country into middle income status, through alignment of the Bank’s strategic focus to the National Development Plans and the country’s Vision 2040.

The Bank’s Vision is to “promote sustainable socio-economic development through innovative financial products and services”, while its mission is to “profitably finance enterprises in key growth sectors”

The sectors of the Bank’s intervention are; Agriculture (production and agro processing), Manufacturing and Industrial development, Tourism, Infrastructure, Services (Health and Education), Trade finance – for export promotion and importation of essential production and critical inputs that are not locally available.

UDB's Contact Details:

Uganda Development Bank at Rwenzori Towers

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