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In another landmark event in the Nigerian Islamic finance industry, Islamic Finance news (IFN), in collaboration with the Nigerian Stock Exchange (NSE) and key capital market stakeholders, held its highly anticipated maiden IFN Nigeria Forum in June 2019.

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26 IDB Group boosts support to Central Africa

For years, the six member countries of the Central African Economic and Monetary Community (CEMAC) have not received as much support from the IDB Group as West African countries where Islamic finance has been booming. But things are about to change with two lines of financing under discussions with the Development Bank of Central African States (BDEAC) and the IDB's flagship value chain project in the making in Gabon.

28 Penetration of Islamic mutual funds deepens in Nigeria

Since the launch of the first Shariah compliant mutual fund in 2008, Islamic funds in Nigeria have come a long way. Four other funds have been launched since then and a fifth is already in the works. Islamic mutual funds have enhanced capital market participation as ethically-minded investors, who have hitherto been on the sidelines, have become enthusiastic participants in the market.

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Nigeria’s Sukuk success continues with its sophomore sovereign paper issued at the end of December 2018. The paper, issued in the same amount as the maiden paper in 2017, saw a healthy spike in the number of retail investors and met a challenge unlike others, in the form of an overwhelming response in hardcopy submissions.

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Vineeta Tan
Managing Editor
Islamic Finance news

The inaugural IFN African Roadshow brought us to three stunning countries in different corners of the continent: Nigeria in the west, Kenya in the east and South Africa in the southernmost tip. Described as the next frontier for Islamic finance, and rightly so, Africa, which accounts for a quarter of the global Muslim population, holds much promise.

But it is easy to overlook the fact that Africa is a vast continent with greatly diverse cultures, languages and peoples at varying economic progression stages and infrastructure development. As such, Islamic finance has also been nurtured differently across the continent, culminating in ecosystems which differ drastically from one nation to another.

For example: in the north, we have Sudan — one of the world's largest short-term Sukuk issuers by value — which houses close to 40 Islamic banks and a sophisticated Takaful sector, thanks to its fully-fledged Islamic financial system, but we also have Morocco which only just began regulating Shariah compliant insurance, and started issuing Sukuk fairly recently. Nigeria only just approved its second fully-fledged Islamic bank, Kenya has yet to tap the Sukuk market and Islamic liquidity management tools are still scarce.

Concurrently, we are seeing other previously less prominent nations, in the context of Islamic finance, making their move to position themselves on the Shariah finance map: Uganda is working on strengthening Islamic finance governance while preparing to welcome Islamic banks to its shores; Ethiopia seems to be on board the ship of interest-free finance with the prime minister giving its vote of approval and the central bank greenlighting the formation of its first fully-fledged Islamic bank.

Regulators, at both the local and regional levels, have Islamic finance on their agenda, although the level of priority accorded to developing the industry may not be aligned. There are still cultural nuances to navigate, and political dynamics to take into consideration. But what is certain is that there is demand, there is potential and there is intent — be it from regulators or from public/market practitioners — for a more ethical brand of finance that is aligned with their religious beliefs, or merely as a strategic measure to diversify the funding pool.

The success of the inaugural IFN African Roadshow is testament to the Islamic finance fabric of Africa, and we are pleased to launch the first African report. Content has been carefully curated and produced to provide an insightful overview of the region, while keeping in mind the uniqueness of different markets, and we hope you will find this a beneficial read.

Islamic Finance news

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Complexity
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Foreword by Oscar N. Onyema, OON, CEO of The Nigerian Stock Exchange



Oscar N. Onyema, OON
CEO
The Nigerian Stock Exchange

Many markets within the sub-Saharan African region experienced a number of macroeconomic headwinds in 2016, occasioned by the fall in commodity prices and the corresponding hike in US interest rates, resulting in exchange rate volatility and rising fiscal deficits across the region. In the wake of the recession which followed, the Nigerian government embarked on the implementation of a four-year 'Economic Recovery and Growth Plan' to stimulate economic growth and reposition the capital markets to foster increased private sector activity, as well as renew the drive toward the diversification of the economy across priority sectors.

This diversification strategy was driven in part through the restructuring of the debt profile of the Nigerian government by the Debt Management Office. In particular, the launch of the NGN100 billion (US\$274.88 million), seven-year local currency maiden Nigerian Sukuk in 2017 opened up a new investor base within the local economy with an estimated US\$500 million of investable funds that had hitherto been untapped. The successes derived from the maiden Sukuk experience led to the successful second tranche issuance in 2018.

The Islamic finance sector presents significant opportunities for the Nigerian economy which is projected to grow by 2.3% in 2019, and 2.5% in 2020, according to the IMF. It provides a unique way for financing the critical infrastructure requirements of the country, estimated at about 25% of GDP, according to the African Development Bank. The listing of these instruments reinforces to investors the commitment of the issuers to adhere to the corporate governance standards required. Finally, Islamic finance facilitates the inclusion of underserved units within the domestic economy into more mainstream capital market activities, and thus contributes to the mobilization of domestic capital for economic development. The wider implication of this is reduced pressure on the exchange rate and consequently, a more balanced fiscal and monetary policy.

The NSE seeks to continue in its drive to ensure the mobilization of capital toward the productive sectors of the economy. The development of a vibrant Islamic finance sector is particularly crucial in achieving this objective, given the emphasis the sector places on the effects of Islamic funding mechanisms on the real sector.



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Nigeria: A watershed year

2017 was a milestone year for Islamic banking and finance in Nigeria. From its debut sovereign Sukuk to the opening of new Takaful firms, the nation is becoming a significant force in the global landscape. DURGAHYENI MOHGANA SELVAM recaps major Islamic finance happenings in Nigeria over the past 12 months.

Regulatory landscape

Nigeria has accommodating Islamic finance regulations including guidelines for Islamic financial institutions released in 2011 following the draft framework (inspired from the Banks and Other Financial Institutions Act) issued in 2009. Last year the Central Bank of Nigeria (CBN) issued several Islamic banking-related regulations including for Shariah microfinance banks and the National Pension Commission approved the investment of pension funds in Shariah compliant assets.

The Islamic microfinance guidelines were issued to provide a level-playing field between conventional and Shariah compliant microfinance banks and to address issues underpinning the operations of Islamic financial institutions. This follows the establishment of the Financial Regulation Advisory Council of Experts by CBN in February 2015 to advise regulators on Shariah-related matters.

The country also has in place Sukuk rules since 2013 thanks to the Securities and Exchange Commission of Nigeria. Last year, the CBN released a framework enabling intraday and overnight liquidity for non-interest banks using Sukuk and other eligible assets as collateral.

Banking and finance

There are currently one fully-fledged Islamic bank (Jaiz Bank, established in 2013) and two Islamic banking windows: Stanbic Bank (2012) and Sterling Bank (2013). New entrants are expected to join the market, including Keystone which has been vying for an Islamic banking window license. IFN understands that a group of investors — known collectively as Taj — intends to set up the country's second non-interest bank.

Out of the approximately 900 microfinance institutions, three are wholly Shariah compliant: Al-Barakah Microfinance Bank, established in 2010, and Tijarah Microfinance Bank and I-Care Microfinance Bank, both of which secured their licenses to operate in the northern region following new regulations introduced in 2017.

Jaiz Bank, which had 27 branches since the end of January 2017, secured a national operating license allowing it to offer its services in all 36 states nationwide. In February 2017, the Islamic bank listed on the Nigerian Stock Exchange. The bank also opened its subsidiary, Jaiz Takaful Insurance, last year to further seal its leading place in the country's Islamic finance industry. The bank expects to generate a gross revenue of NGN16 billion (US\$44.25 million) by 2021 and a pre-tax profit of NGN7.9 billion (US\$21.85 million) based on a growth trajectory which averaged 30% per year since inception in 2012.

Sukuk

Nigeria's Sukuk dreams (since 2012) finally materialized in 2017. The NGN100 billion (US\$276.59 million) Sukuk was oversubscribed by 5.8%, with the participation of a broad range of investors comprising

pension funds, banks, asset managers, government agencies, corporates and retail investors.

The utilization of the Sukuk's proceeds for road infrastructure added to its public appeal, and aided the government to finance its budget deficit. The DMO expressed interest to return to the Sukuk market this fiscal year — the 2018 budget included borrowings of up to NGN1.7 trillion (US\$4.7 billion), but it was not mentioned if these would be Islamic or conventional.

The successful paper follows an earlier Sukuk by Osun State which raised NGN11.4 billion (US\$31.53 million) in 2013. Niger State will soon follow suit as it received regulatory approval in April to raise NGN21.5 billion (US\$59.47 million) through Sukuk to fund state development projects.

Growing interest is also seen in the corporate market. In 2017, Nigeria-based Africa Finance Corporation debuted its US\$150 million paper and Nigeria Mortgage Refinancing Co is working on a NGN1 billion (US\$2.76 million) Sukuk facility.

Takaful

Regulated by the National Insurance Commission (NAICOM), the regulator in 2013 introduced a Takaful framework allowing for the following models to be practiced: Mudarabah, Wakalah and hybrid; while enabling conventional insurers to offer Islamic products through windows.

In 2003, African Alliance Insurance launched Family Takaful products, which led to more players joining the fray including Cornerstone Insurance and Niger Insurance. There are two known fully-fledged Takaful operators: Lagos-based Noor Takaful and Abuja-based Jaiz Takaful.

Last year, NAICOM's commissioner for insurance Mohammed Kari announced that the regulator had licensed two Takaful companies to operate while the processing of other applications was ongoing, without mentioning the names of the licensed providers.

Asset management

The Republic is home to several Islamic funds: Lotus Capital, the country's sole fully-fledged Islamic investment manager, first entered the space in 2012 by launching the country's only Shariah compliant index in collaboration with the Nigerian Stock Exchange. In 2014, Lotus Capital rolled out the nation's first Shariah compliant exchange-traded fund (ETF) — the Lotus Halal Equity ETF and in 2016, introduced another fund — the Lotus Halal Fixed Income Fund.

Other players in the space include: Standbic IBTC Asset Management and ARM Investment Managers which offer Shariah asset management services on a window basis. Kord Capital is also emerging as an Islamic corporate investment advisor company.

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South Africa: A progressive year

Islamic finance in South Africa has developed fairly well in the last few years. But is it enough to compete with other prominent players in the region, like Nigeria and Kenya? DURGAHYENI MOHGANA SELVAM brings an update on the rainbow nation's Shariah finance industry for the past 12 months.

Regulatory landscape

South Africa's Islamic banking and finance industry is governed under existing conventional legislation which has seen certain accommodations to better facilitate Shariah compliant financial transactions. Shariah contracts such as Mudarabah, Murabahah and diminishing Musharakah are recognized in the Republic following enactments to the Taxation Law Amendment Act of 2010.

Sukuk were formally recognized in 2011, although limited to the government. In January 2016, amendments to the Taxation Laws Amendment Act 23 of 2015 redefining Sukuk to include the government, public entities and listed companies as issuers and including listed companies in the definitions of Murabahah and diminishing Musharakah were promulgated.

The government is also developing a regulation to audit Shariah-based institutions, expected to be launched by early 2019.

Banking and finance

South Africa has one of the most advanced and sophisticated financial systems in the continent with 17 registered banks, three mutual banks, two cooperative banks, 15 local branches of foreign banks and 39 foreign banks with approved local representative offices, according to the South African Reserve Bank.

There is, however, only one fully-fledged Islamic bank (Al Baraka South Africa, set up in 1989) with at least another three banks offering Shariah compliant solutions on a window basis: Barclay's Absa Bank (2006), Habib Bank Zurich's HBZ Bank (1995) and First National Bank (2004). Standard Bank joined the fray in 2016 by offering Islamic products on a window basis.

The entry of Standard Bank reflects the growing demand for Shariah products which has also driven conventional retail financier Lendcor to shift its entire business proposition onto a Shariah compliant platform. It successfully became fully-fledged Islamic in 2016 offering compliant merchant finance facilities.

Nonetheless, 2016 was a difficult year for the banking industry driven by political instability, currency volatility and weak economic growth; Al Baraka South Africa took a significant hit as a result. Net income (latest data) dropped 24% to ZAR41.9 million (US\$3.34 million) after growing 39% the previous year while total assets grew by 5% to ZAR5.3 billion (US\$422.47 million).

Earlier this year, a Murabahah financing product, which allows the supplier to purchase an asset for the end-user who is looking for Shariah working capital finance, was launched.

An Islamic crowdfunding platform is also in the works where financiers can look to fund potential entities, which would primarily be from industries like import-export, manufacturing and agro-processing. The platform is expected to be launched this year; with the funding expected to generate US\$10 million to US\$50 million by the end of the year.

While takeup for Shariah banking products is growing steadily, however, the industry is still grappling with the lack of awareness, and to a certain extent, the backlash from the collapse of Islamic Bank which was liquidated in 1997.

Takaful

Over the last 12 months, the Islamic insurance industry has seen encouraging developments, welcoming new providers. In April 2017, First National Bank Islamic Banking started offering Takaful products to the retail market with a view to serving the corporate segment in the near future, while Takaful Africa — which partnered with Bryte Insurance Company South Africa, a subsidiary of the Canada-based Fairfax — joined the only other fully-fledged Takaful operator (Absa Takaful, previously Takaful SA (established in 2003) and acquired by Absa Group in 2011) to serve the market. Al Baraka also expressed interest in tapping the insurance market.

Asset management

Demand is also translating to the fund management space: in November 2016, Old Mutual Investment Group launched its African Agri Farmland Fund, a Shariah compliant 10-year close-ended fund targeting to capture US\$400 million over the next two years from a global investor base. Last year, the Rasmala Trade Finance Fund said that it invested in 876 transactions totaling US\$491 million across 31 countries, including South Africa.

This adds to the vibrant South African Islamic fund space: there are 11 asset management companies offering Shariah instruments, with over 20 Islamic mutual funds including, at least three, exchange-traded funds (ETFs). The first Islamic mutual fund in the country was introduced in 1992 by Al Baraka in collaboration with Old Mutual, whereas Absa pioneered Shariah ETFs with its NewFunds Shariah Top 40 Index ETF launched in 2009, and followed by NewGold ETF and NewPlat ETF.

Sukuk

However, despite the positive momentum exhibited by the banking, Takaful and Islamic fund sectors, the country's Sukuk market is rather tepid. South Africa was the first African government to join the global Sukuk market with its maiden US\$500 million dollar issuance in September 2014. The nation is expected to float its sophomore Sukuk, a rand-denominated paper, in the fiscal year starting the 1st April 2018.

Outlook

Yet dark clouds loom over the rainbow nation's Islamic finance sector (and wider economy); the country's rating still has junk status as of March 2018 on the back of a slumping rand, ballooning inflation, a slow economy and political uncertainties. It may be challenging to maintain or push the momentum gained by Islamic financial institutions over the last year.

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Kenya: Time to act

Kenya is hailed as one of Africa's earliest Islamic finance pioneers but things have slowed down in 2018. DURGAHYENI MOHGANA SELVAM provides an update on the happenings in Kenya for the past 12 months.

Regulatory landscape

In January 2017, the Insurance (Amendment) Act 2016 came into force, formally recognizing and regulating Takaful insurance. But the Insurance Regulatory Authority plans to take a step further to cement Takaful's position in its insurance industry with a different set of regulations dedicated to Takaful.

Material Islamic finance legal developments follow the establishment of the Project Management Office (PMO) in 2016, tasked with developing an institutional, policy and regulatory framework as well as a National Shariah Governance Framework. The PMO in May proposed same tax on Islamic finance products with conventional offerings to boost the attractiveness of Islamic products.

The commitment toward building an effective regulatory environment is evident through the membership of the Capital Markets Authority (CMA) in the IFSB (associate member) in December 2016 and in the Council for Islamic Banks and Financial Institutions in May this year.

However, regulatory developments in the past 12 months have been slow. The government was expected to pass amendments to the Finance Bill 2017 which proposes changes to the Capital Markets Act, the Cooperative Societies Act and the Sacco Societies Act to facilitate the issuance of Islamic finance products. This was confirmed by the cabinet secretary for treasury, Henry Rotich, in his budget statement delivered on the 30th March 2017. The bill was intended to be passed by the third quarter of 2017, but nothing has transpired since. Githu Muigai, the attorney-general of Kenya, pledged to hasten amendments seeking to repeal the Waqf Commissioners Act of 1951 and affirmed that the changes will be ready by the end of March 2018 — there is no news on this as well.

Banking and finance

After the entry of Dubai Islamic Bank Kenya in April 2017, the number of fully-fledged Islamic banks rose to three, including Gulf African Bank (GAB) and First Community Bank (FCB). At least five conventional banks offer Islamic products on a window basis: Chase Iman, National Amanah, Barclays La Riba, Kenya Commercial Bank and Standard Chartered. The Central Bank of Kenya also approved Pakistan-based Bank AL Habib to open a representative office in Kenya under the name BAHIL-Representative Office. Islamic financing is also provided by the country's Shariah compliant savings and credit cooperatives (Sacco): Taqwa Sacco (1998), Community-Owned Finance Institution (2012) and Crescent Takaful Sacco (2013).

Takaful

Takaful Insurance of Africa (TIA) is the sole Takaful operator in Kenya, along with GAB Takaful — GAB's bancaTakaful subsidiary — while Kenya Reinsurance Corporation provides re-Takaful services on a window basis. FCB is also authorized to broker General Takaful products.

TIA is also a Kenyan partner of the International Cooperative and Mutual Insurance Federation tasked with implementing the federation's 5-5-5 initiative: reaching five million households in five emerging markets in five years (by 2020).

Sukuk

Despite years of multiple delays, the Kenyan government has not given up on a sovereign Sukuk offering yet. The maiden facility was expected to come to market last year after the amendments to the Finance Bill were passed but the plan was postponed indefinitely. Nonetheless, the December 2017 signing of an MoU between Nairobi Securities Exchange and NASDAQ Dubai to collaborate in establishing a Sukuk market in Kenya is a promising sign for the sovereign's Sukuk ambitions. Both exchanges will jointly promote Islamic capital market products.

Asset management

There are two Islamic asset management service providers in Kenya: FCB Capital and Genghis Capital, the brokerage arm of Chase Bank Group. It was earlier revealed that Apollo Asset Management Company, licensed in January 2016, had plans to offer an Islamic fund; the firm was required by the CMA to constitute a Shariah advisory committee to oversee Shariah compliance of its Islamic products: as at June 2018, the firm has yet to set up the committee. The Local Authorities Provident Fund (LAPFUND), a state-owned pension fund that caters to county and parastatal employees, secured a license from the Retirement Benefits Authority to launch a Shariah compliant scheme called LAPFUND Amal.

Outlook

Kenya is determined to lift its Islamic Finance Country Index score to 15 by the end of 2023 (up from 2.85 in 2017) as part of its 10-year Capital Markets Master Plan. However, regulatory enhancement delays may present hiccups along the way. Promising as it may be, the nation's Islamic finance potential would not be realized without the right regulations especially in light of increasing competition from its neighbors such as South Africa and Nigeria.

Table 1: Key financial performance indicator of Islamic banks in Kenya (in KES million)

	Total comprehensive income (2016)	Total comprehensive income (2017)	Year-on-year growth (%)	Total assets (2016)	Total assets (2017)	Year-on-year growth (%)
GAB	498.32	153.65	(68.11)	27,156.26	31,316.29	15.32
FCB	(55.73)	151.8	372.38	14,962.09	17,359.97	13.81
DIB Kenya	-	(599.85)	-	-	2,610.31	-

Source: Respective banks' annual audited financial statements



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Islamic finance in Nigeria

The Islamic finance sector in Nigeria has witnessed a number of changes over the years starting with the launch of one of the earliest Islamic products in Nigeria in 2008, the Halal Investment Fund, managed by Lotus Capital, which provides access to a universe of Shariah compliant investment products for the market. Following the launch of this product, the Nigerian Securities and Exchange Commission (SEC) in 2010 developed and released rules guiding Islamic fund management in Nigeria. By 2011, the Central Bank of Nigeria (CBN) had issued guidelines for the supervision and regulation of institutions offering Islamic financial services, leading to the licensing of Jaiz Bank, the first non-interest bank in Nigeria in the same year. In 2012, the Nigerian Stock Exchange (NSE) launched the NSE Lotus Islamic Index to track selected Shariah compliant equities listed on the NSE.

The year 2013 saw a lot of developments in the sector with the release of rules on Sukuk by the SEC, and the CBN's inauguration of the Financial Regulatory Advisory Council of Experts to provide advice on Shariah compliance matters. These developments led to the first Sukuk issuance in Nigeria by the Osun state government in 2013 worth NGN11.4 billion (US\$31.34 million) used for the construction of schools in the state. By the end of 2014, there were five Shariah/ethical funds available in the Nigerian capital market, with an additional license issued by the CBN in 2019 to Taj Bank for the operation of non-interest banking services.

“ The listing of the two sovereign Sukuk Ijarah instruments has provided access to a wider funding base which has ultimately provided access to cheaper and low-cost capital for financing projects ”

The listing of Jaiz Bank's shares on the NSE in February 2017 paved the way for renewed discourse on Islamic finance and in September of the same year, the landmark NGN100 billion (US\$274.88 million), seven-year Nigerian sovereign Sukuk Ijarah facility was issued by the federal government through the Debt Management Office (DMO) of Nigeria, with a rental income of 16.47%. Following the market-wide acceptability of this issuance, an additional NGN100 billion tranche was issued by the DMO in 2018 for the development and rehabilitation of critical road infrastructure across the six geopolitical zones of the country.

The NSE has been instrumental in driving the growth of the sector through its support of the federal government's fiscal

sustainability plan. The listing of the two sovereign Sukuk Ijarah instruments has provided access to a wider funding base which has ultimately provided access to cheaper and low-cost capital for financing projects. In particular, the issuance of the second federal government Sukuk Ijarah tranche at a rental income of 15.74% represents a 73bps advantage over the 16.47% rental income on the maiden issuance.

The NSE has also driven the implementation of five strategic pillars: strong regulatory framework, capacity-building, product development, robust primary and secondary markets, and market awareness programs. Its rules governing the listing of Sukuk and similar debt securities were launched in 2016 to guide potential issuers of Islamic finance securities. The recent collaboration with REDmoney events is a testament of the NSE's commitment to creating awareness about the opportunities Islamic finance presents in closing the nation's infrastructural gap.

The NSE is also focused on developing capacity and is organizing a series of trainings and seminars through X-Academy, its specialized learning center for issuers, investors and the wider capital market community. The NSE will continue in its efforts to develop the sector through the development of robust and dynamic primary and secondary markets, and enlightenment programs on the opportunities present in the sector.

This article was contributed by the Nigerian Stock Exchange.



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Crossing the Shariah banking chasm

Shariah compliant financial services (SCFS) has existed in South Africa for just over three decades. When we look back on these years and the stages that the industry has been through, the theory of 'The Chasm' comes to mind. MOHAMMED AMEEN HASSEN writes.

Among others, one of the biggest contributors to the chasm was the lack of regulatory assistance for the industry. We laud our South African government for supporting the industry and providing the legislative environment which saw the early majority begin to adopt when two of the 'big banks' in South Africa began offering Shariah compliant financial services in the early 2000s. A decade after this, I believe the late majority is now starting to adopt with a third 'big bank' coming into the market.

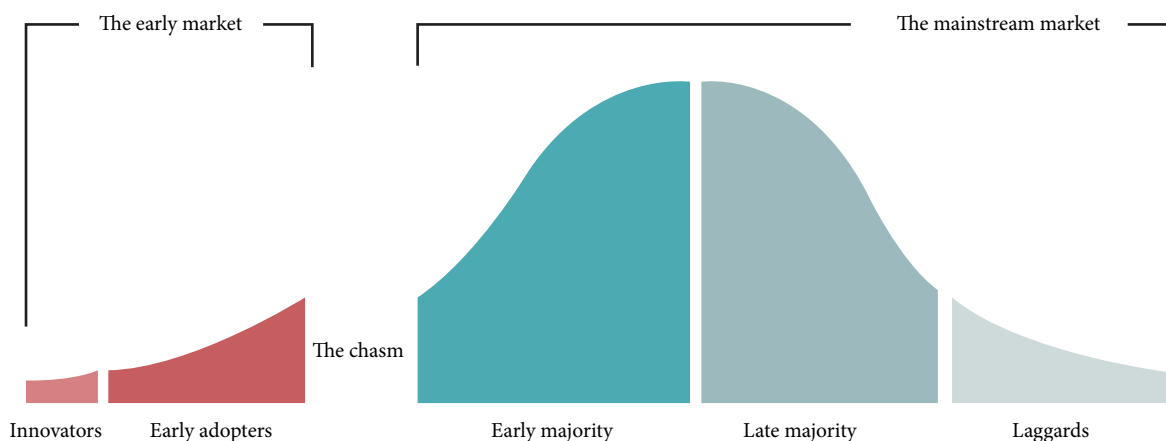
This demonstrates that the market has significantly progressed and demonstrated its ability to withstand the chasm. The next phase in the business cycle would be where I believe we have begun to enter and that is the maturity stage where we are now beginning to see real innovation come through, with significant refinement to the

regulatory environment to ensure sound governance and consumer protection.

IFN South Africa was hosted in Cape Town with support from the Banking Association of South Africa, the Financial Sector Conduct Authority and the Prudential Authority and it has certainly lifted the profile of the industry and provided the much-needed credence and we as an industry look forward to the ongoing engagements of this nature to grow this industry and fulfill our aspirations of being one of the leading Shariah compliant financial services markets on the continent.

Mohammed Ameen Hassen is the head of Shariah banking at Standard Bank. He can be contacted at Ameen.Hassen@standardbank.co.za.

Diagram 1: The chasm



Source: 'Crossing the Chasm' by Geoffrey A Moore

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Historic Sukuk by South African bank

Durban-based Al Baraka Bank has become the first South African financial institution to issue a Tier 2 capital Sukuk, a Shariah compliant investment and attractive alternative to conventional bonds.

ABDULLAH AMEED writes.

Al Baraka Bank chose to look beyond share capital — its traditional source of capital — and considered alternatives before selecting Sukuk, an uncharted territory for the bank. The Shariah compliant Sukuk structure was approved by the bank's Shariah board and received approval from the South African Reserve Bank for a Sukuk issuance on a Tier 2 capital basis to raise ZAR200 million (US\$13.94 million).

The bank's issuance decision is in line with an escalating international trend, with the Sukuk market globally demonstrating considerable growth in recent years. Sukuk issuances worldwide totaled a massive US\$116.7 billion in 2017 growing by around 32.76% from the US\$87.9 billion achieved in 2016 as reported in the 7th edition of the International Islamic Financial Market Sukuk Report for April 2018. Indications are that the market will continue to grow in the years ahead.

Most encouragingly, the Al Baraka Bank Sukuk initiative was fully subscribed, raising ZAR200 million at the end of October 2018. Initially, it was slow to gain traction because this type of investment structure was new to the South African Islamic market.

A total of 94 investors comprising primarily of individuals and institutions in the professional and business sectors invested in the Sukuk.

As a result of more information on the nature of Sukuk and their risks and rewards within the South African market, Al Baraka Bank adopted a one-on-one, soft marketing approach to present and secure acceptance of the concept. Although fully subscribed at this time, the bank now has numerous prospective investors showing great interest in the Sukuk investment concept.

Sukuk investments yield an encouragingly higher rate of return to holders, making Sukuk a most attractive investment vehicle and because of the popularity it has gained, Al Baraka Bank is considering further capital issuances in the future, as a means of stimulating further growth.

Al Baraka Bank has created an SPV, Al Baraka Sukuk Trust, to manage the flow of investments from Sukukholders to the bank. Advocate AB Mahomed, a founding director of the bank and the current chairman of Al Baraka Sukuk Trust, expressed his delight at this significant event.

“Islamic finance is set to grow steadily across Africa as financing needs increase and global investors become more comfortable with the legal structure of Islamic debt securities”

Islamic finance is making sizeable gains in the South African and African markets. According to a recent Moody's Investors Service report, Islamic finance is set to grow steadily across Africa as financing needs increase and global investors become more comfortable with the legal structure of Islamic debt securities. The South African government has, in recent years, made amendments to its financial legislation to better accommodate Shariah compliant banking and investment products and services, leading to enhanced public recognition of the attractiveness of Islamic banking among South Africans.

In a September 2018 statement, Moody's indicated that Africa's large Muslim population will provide a solid foundation for the growth of Islamic banking assets. Moody's believes the share of Islamic banking assets, as a percentage of total African banking assets, is likely to rise to more than 10% during the next five years, from its current level of under 5%.

Sukuk explained

'Sukuk' is Arabic for investment certificates, issued for the purpose of raising money for utilization within a corporation or government entity. A Sukuk may be used to raise capital or liquidity, depending on the need of the entity raising the funds.

Islam's prohibition of interest precludes Muslims and Islamic financial institutions, such as Islamic banks, Shariah compliant equity funds and Islamic insurance companies, from investing in interest-bearing bonds. AAOIFI defines Sukuk as certificates of equal value that "represent undivided shares in the ownership

of tangible assets, usufruct and services". As in the case of bonds, Sukuk have a maturity date and Sukukholders receive regular income streams. In contrast to bonds however, these income streams and terminal values are not guaranteed, because Sukuk represent an undivided share in the ownership of the underlying asset. The generation of income streams and terminal values are, therefore, wholly dependent on the underlying asset's performance.

Why Sukuk?

Based on the capital structure of the funds required, such funds could have been raised via a share capital issuance and/or an equity/debt instrument. The Sukuk issuance met the equity/debt characteristics for tax and accounting purposes, as well as Shariah requirements, and was therefore regarded as the most appropriate structure for the type of capital Al Baraka Bank was looking to raise.

What makes Sukuk different from conventional bonds?

The Shariah compliance structure of the instrument is the main differentiator.

The Islamic banking model used is Mudarabah, which is a profit-sharing model. The contributors of the funds are the Sukukholders and normal depositors, while the bank is the applier of skills.

The bank finances the assets for customers and makes a profit on the sale of these assets. It then shares the profit with Sukukholders and depositors in line with a predefined ratio, retaining a share for itself.

Who is able to invest in Sukuk?

As with all Al Baraka Bank products, Sukuk are not restricted to Muslims, but also available to all South Africans.

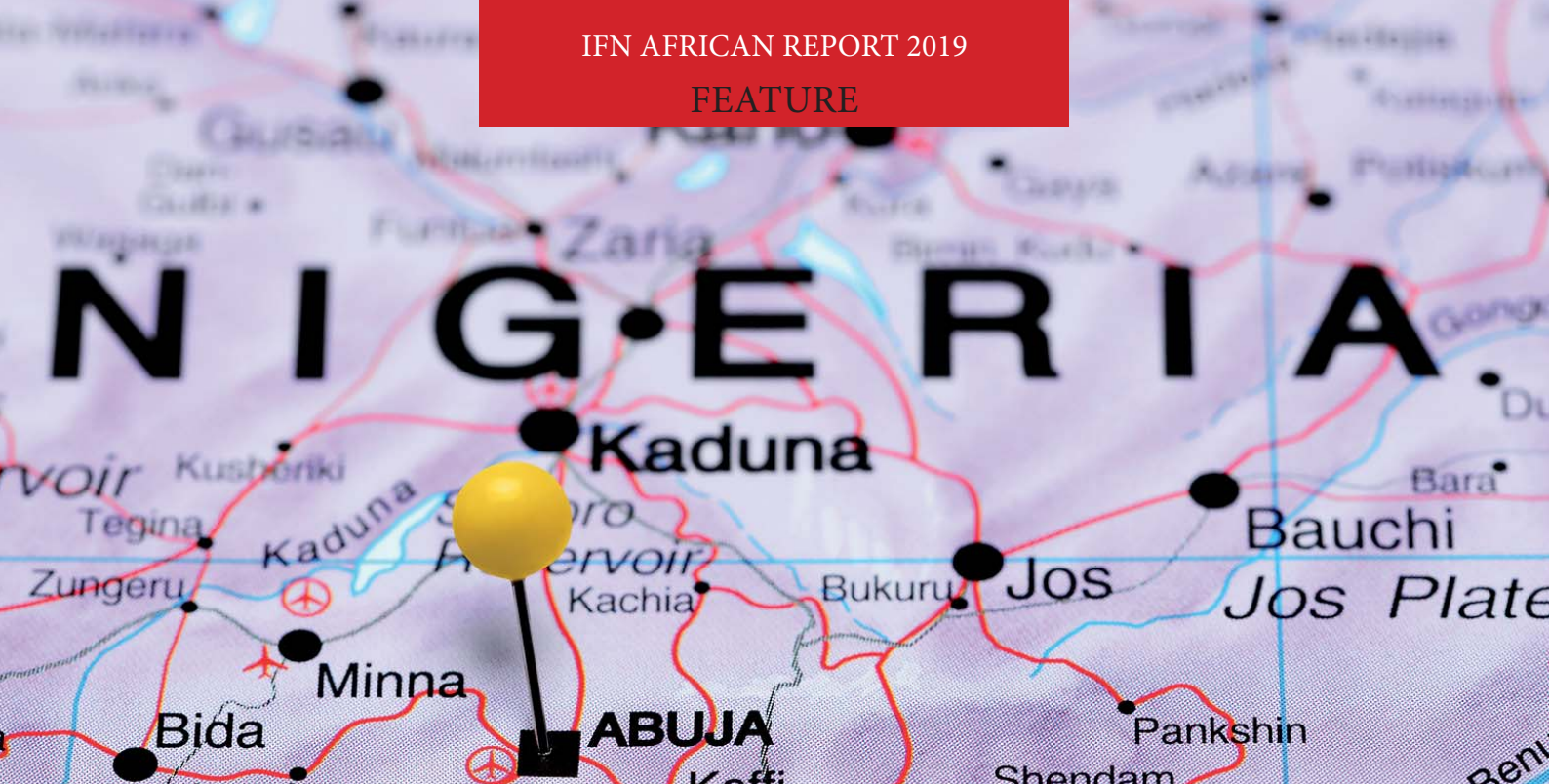
What difference does Sukuk make to the South African consumer/bank business/economy?

For the South African consumer, this is a new form of investment into a debt/equity instrument and is one which offers a higher return to investors. This creates an additional choice within the investment market and enables investors to add a diversification component to their portfolio.

For the bank, this creates a new source of capital, compared to its traditional source of share capital.

For the economy, this mode of capital-raising (via Sukuk) may be effectively utilized to tap Shariah funds globally for other local capital-intensive projects or requirements.

Abdullah Ameen is the financial director of Al Baraka Bank South Africa. He can be contacted at aameed@albaraka.co.za.



Expanding frontiers: IFN kicks off its inaugural forum in Nigeria

In another landmark event in the Nigerian Islamic finance industry, Islamic Finance news (IFN), in collaboration with the Nigerian Stock Exchange (NSE) and key capital market stakeholders, held its highly anticipated maiden IFN Nigeria Forum in June 2019. HAJARA ADEOLA writes.

The event was aptly themed ‘Harnessing the Islamic Finance Sector for Infrastructure Development and Economic Growth’, and it attracted high-profile participants including representatives of the NSE and the Securities and Exchange Commission (SEC). The keynote address highlighted Nigeria’s desire to become a hub for non-interest finance in West Africa and noted the huge opportunities for infrastructure development and strong investor appetite for Sukuk.

The director-general of the Debt Management Office (DMO), Patience Oniha, during a panel discussion, commended the SEC, the Central Bank of Nigeria, the Federal Inland Revenue Service and other regulatory agencies for having laid the groundwork that culminated in the success of the sovereign Sukuk issuances. Oniha expressed the DMO’s willingness to issue a third Sukuk facility before the end of the year. The DMO head also mooted the possibility of using Sukuk to structure and issue shorter term Shariah compliant debt instruments for non-interest financial institutions. When speaking on the challenges in the sector, Oniha highlighted the high marketing expenses incurred on retail investor education given Nigeria’s multilingual society, low technology penetration and the wide geographic dispersion of potential investors.

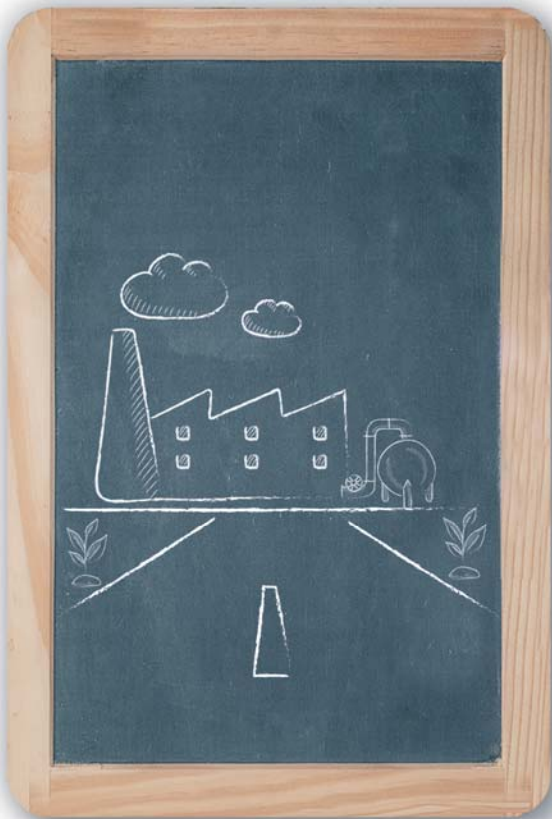
The forum revealed several ongoing initiatives to address the challenges in the industry such as the planned development of a digital platform for securities distribution by the NSE. In response to concerns on investor participation, Dr Farouk Aminu of the National Pension Commission promised that an operating framework for a new Shariah compliant pension fund would be released before the end of the year.

There remained a general consensus that the Nigerian Islamic finance industry is in need of product diversification across contract types, issuers and tenors to improve secondary market liquidity. Market operators were nevertheless excited by the flow of conversations and expressed deep interest in innovative Sukuk structures outside the plain vanilla Ijarah. In particular, operators expressed interest in short-dated Shariah compliant debt instruments by blue-chip Nigerian corporates. Operators, however, raised concerns on the opaque tax regime of Shariah compliant instruments and were somewhat relieved when the tax regulator gave assurances that relevant tax matters were receiving attention and would be addressed in the near term.

Overall, the inaugural IFN forum in Nigeria was a huge success and recorded impressive participation from a cross-section of industry players interested in growing the Islamic segment of the Nigerian capital market. Participants acknowledged the huge growth potential in Nigeria where approximately 50% of the circa 180 million-strong population are estimated to be Muslims. Calls were made for collective efforts among capital market stakeholders to address investor education and product innovation. The forum ended on a high tempo and the NSE promptly set up a working committee to follow through on the action points of the sessions. The IFN Forum could not have come at a better time to help maintain the momentum in, potentially, Africa’s largest Islamic finance market.

Hajara Adeola is CEO/managing director of Lotus Capital. She can be contacted at hajara.adeola@lotuscapitallimited.com.

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Islamic asset management in West Africa: The beginning of a long journey

To cater to the growing demand for Islamic investment vehicles, the Regional Council for Public Savings and the Financial Market (RCPSFM) intends to introduce dedicated regulations for Islamic mutual funds by the end of the year. But MARC ROUSSOT finds that extreme poverty, lack of education and scarcity of Shariah compliant assets are strong impediments to a successful West African Islamic asset management industry.

Islamic finance is entering a new phase in its development in West Africa. After the creation of an Islamic microfinance and banking sector, as well as a sovereign Sukuk market, the eight West African Economic and Monetary Union (WAEMU) member countries are gearing up for the launch of a regional Islamic asset management industry with dedicated regulations, currently developed by the RCPSFM and expected to be introduced by the end of the year.

“We understand that there is growing demand for Islamic investment products, hence the introduction of new regulations is timely,” shares Monique Obre, the director of market intermediaries at the RCPSFM, a body linked to the WAEMU.

On the back of the emergence of a middle class has been increasing demand for savings and investment schemes. As a result, several savings plans for the Hajj have been launched since the beginning of the year by the Ivory Coast’s Raouda Finance and Benin’s Coris Bank International. In addition, FCP Al Baraka, the region’s first and only Islamic fund, was rolled out in Senegal by CGF Gestion back in 2017.

The fund, which was launched with XOF1.5 billion (US\$2.43 million) of assets under management (AuM) and accepts all types of investors, has evolved in relatively uncharted territory due to the absence of regulations for Islamic funds. However, its popularity has reached the Ivory Coast where Raouda Finance has decided to market the vehicle.

“The introduction of Islamic funds has been a growing topic over the past two years and there is a genuine potential for growth. However, there are many challenges for the launch of such vehicles in the region including the lack of education and awareness, a very small pool of trained human resources and a limited number of Shariah compliant assets to invest in, among others,” shares Mike Coffi, the president of the Association of Asset Management Companies.

Rare as hen’s teeth

To date, corporates have yet to tap the Islamic capital market, but four sovereigns, namely Senegal, Togo, the Ivory Coast and Mali, have issued a total of six long-term Sukuk, offering a relatively limited number of opportunities for Islamic fixed income funds.

“With their tenors ranging between four and 10 years, Sukuk are not very appealing to investors who prefer to invest on a short-term basis due to potential political instability at the end of each political cycle. Even traditional long-term investors such as pension funds and insurances prefer short-term investments,” details Coffi.

The situation is not much better for the equity asset class. Only 44 companies are listed on the Regional Securities Exchange and due to their level of debt only, over 50% of them are likely to fail the test of Shariah compliance.

Early days

Having emerged in 2007 with the launch of a first fund, the West African conventional asset management industry is obviously more developed than its Islamic counterpart, albeit relatively small with XOF700 billion (US\$1.2 billion)-worth of AuM held by about 20 asset management companies.

Initially, the momentum came from banks, which established asset management firms to manage their excess liquidity while retail investors were very marginal — a situation that is unlikely to have changed over the years, partly due to a high although decreasing poverty rate, and growing extreme poverty in sub-Saharan Africa, according to the World Bank.

Hence, the birth of a West African Islamic asset management industry will likely follow the same path. Unless there is a real demand stemming mainly from Islamic wholesale investors, more precisely Islamic banks, the sector will remain residual as asset managers are not forecasted to take the lead.

“There is no real impatience from asset managers for the introduction of Islamic funds. Their focus is on long-awaited products like REITs and venture capital, which will soon be accommodated. Islamic funds are only coming in third position,” explains Coffi.





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IDB Group boosts support to Central Africa

For years, the six member countries of the Central African Economic and Monetary Community (CEMAC) have not received as much support from the IDB Group as West African countries where Islamic finance has been booming. But things are about to change with two lines of financing under discussions with the Development Bank of Central African States (BDEAC) and the IDB's flagship value chain project in the making in Gabon. MARC ROUSSOT has the story.

The BDEAC is about to establish a structure similar to an Islamic window to secure two lines of financing from the Islamic Corporation for the Development of the Private Sector and the International Islamic Trade Finance Corporation to boost the development of the private sector and increase trade among the BDEAC's member countries.

Discussions are at an advanced stage following the visit of Fortunato Ofa Mbo Nchama, the president of the BDEAC, to Saudi Arabia in February, where he met with Dr Bandar Hajjar, the president of the IDB, and other representatives of the IDB Group.

The IDB, which expressed its readiness to co-finance specific projects in the region, has also suggested to become a shareholder of the BDEAC and to encourage some of its member countries to acquire a stake in the bank, where 1.99% of the capital is held by the African Development Bank, France, Kuwait, Libya and Morocco.

While the proposal is being studied, no concrete decision has been taken yet and it is likely to take some time before things materialize.

“The IDB's pilot flagship project under its new business model is going to take place in Gabon with the promotion of the manganese value chain. This is a clear indication that the IDB is giving special attention to Central Africa”

Growing attention

Contrary to West Africa, which has been front and center in the IDB's strategy for many years, Central Africa has not been a key focus of the Saudi-based multilateral development bank.

“Out of the six member countries of the CEMAC and BDEAC, namely Cameroon, Gabon, Chad, the Republic of the Congo, Equatorial Guinea and the Central African Republic, only the first three are members of the IDB. In comparison, 13 West African countries are members of the IDB. However, the IDB's pilot flagship project under its new business model is going to take place in Gabon with the promotion of the manganese value chain. This is a clear indication that the IDB is giving special attention to Central Africa,” shares Abdul-Hakim Elwaer, the spokesperson of the IDB.

The project involves the construction of infrastructure for the extraction and refining of manganese as well as the building of roads and maritime facilities. The goal is to create a whole ecosystem that will attract global investors to help the domestic economy, create jobs and keep jobs at home, as the IDB strongly believes that exporting raw materials amounts to exporting jobs.



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Penetration of Islamic mutual funds deepens in Nigeria

Since the launch of the first Shariah compliant mutual fund in 2008, Islamic funds in Nigeria have come a long way. Four other funds have been launched since then and a fifth is already in the works. Islamic mutual funds have enhanced capital market participation as ethically-minded investors, who have hitherto been on the sidelines, have become enthusiastic participants in the market. HAJARA ADEOLA explores.

Several factors have contributed to the number of funds and their subscriber base. Firstly, Nigeria is home to the largest Muslim population in sub-Saharan Africa, with an estimated population of 200 million and roughly half are Muslims. This has spurred the introduction of Shariah compliant investment products, including mutual funds, by eager fund managers seeking to tap into this large demographic. The sizeable retail participation in the two sovereign Sukuk issuances has confirmed the presence of this ready market.

On the supply side, the introduction of Sukuk into the Nigerian market has widened the universe of investible instruments for Islamic funds, improved the quality of portfolios, enhanced risk-adjusted performance and ultimately attracted more ethical investors.

Another major development that has improved the visibility of Islamic mutual funds in Nigeria is the adoption of fintech to deepen mass market penetration. Both conventional and Shariah compliant mutual funds are now partnering with online savings and investment platforms that cater to the growing middle class and millennials. These partnerships offer investors a range of mutual funds to choose from, while enabling the tracking of performance with a few taps on their mobile devices. Fintech adoption has also enhanced market transparency due to easier accessibility by investors to information

about funds, including their size, composition and historical performance.

One key takeaway for Shariah compliant mutual funds leveraging on fintech is the opportunity to penetrate more rural regions where establishing a physical location may not be cost-efficient or may lead to logistical challenges. It is expected that the adoption of digital platforms by these investment vehicles would spur retail participation across the country.

Beyond its traditional sphere of Muslim investors, conventional investors seeking to diversify their portfolio are attracted to the competitive returns that Shariah compliant funds offer. This has further enhanced the mass appeal of these funds.

In spite of these progressive strides, the five non-interest mutual funds registered with the Securities and Exchange Commission currently only account for less than 10% of the total fund market size. However, the huge Muslim population highlights the significant growth potential and opportunities that still lie ahead.

Hajara Adeola is CEO/managing director of Lotus Capital. She can be contacted at hajara.adeola@lotuscapitallimited.com.



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STANDARDS

Nigerian banks embrace IFSB standards

In her October 2018 article titled ‘Nigeria’s Islamic banking regulation moves toward global convergence’, HAJARA ADEOLA noted that the Central Bank of Nigeria (CBN) had released draft guidelines for non-interest banks (Islamic banks) guided by IFSB standards. It had been six months since the draft when the CBN finally adopted these standards in April 2019.

The adopted IFSB Standards 4, 15 and 16 on disclosure requirement, capital adequacy computation and supervisory review process respectively are expected to improve financial stability, enhance transparency and deepen the non-interest banking industry.

Specifically, the standards address core issues in the industry such as the standardization of income-smoothing practices and the categorization of profit-sharing investment accounts as risk-absorbent with the resultant exclusion from banks’ capital adequacy ratio. Other issues addressed by the guidelines include the alignment of credit risk measurement with Basel II and specifications for risk measurement of profit-sharing contracts like Mudarabah and Musharakah.

The CBN has allowed non-interest banks a grace period of three months, from the 1st July 2019 to the 30th September 2019, to implement the guidelines after which it will become mandatory. The grace period will allow the CBN to address any implementation challenges faced by the institutions. It is worth noting that the CBN has not relented in its efforts to strengthen local banks. Earlier in February 2019, it prescribed minimum expectations for the identification, measurement, monitoring, reporting, management and assessment of risks and stress testing in accordance with the second pillar of Basel II.

I believe the adoption of the IFSB guidelines will provide further safeguards for depositors’ funds through minimizing the risk exposure of non-interest banks while entrenching sound corporate governance within the industry. The smooth and speedy implementation of the adopted IFSB standards would help boost participation by foreign and local market players in the non-interest finance industry, as stakeholders become more confident of the level of Shariah compliant practices. It is also a positive indicator that Nigeria’s Islamic banking space is gradually developing internal controls and risk management and corporate governance practices that would enable it to compete favorably with the well-established conventional banks.

With this move, Nigeria is re-establishing its position among 57 other jurisdictions that have adopted part or all of the IFSB’s standards. Already, three regulatory bodies in Nigeria (the CBN, the National Deposit Insurance Corporation and the National Insurance Commission) are full members of the IFSB, adding further credibility to the nation’s drive to boost its non-interest financial sector in line with recognized global standards.

Hajara Adeola is CEO/managing director of Lotus Capital. She can be contacted at hajara.adeola@lotuscapitallimited.com.

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Nigeria Mortgage Refinance Company on track for maiden Sukuk issuance in 2019

Nigeria Mortgage Refinance Company (NMRC) intends to issue a maiden test Sukuk by the end of the year to deepen financial inclusion, MARC ROUSSOT finds out. The state-backed mortgage guarantor was initially planning to issue its first Islamic paper in 2018, but the structuring revealed itself to be more challenging than expected.

Following three quasi-sovereign and sovereign Sukuk issuances in 2013, 2017 and 2018, Nigeria's Sukuk market will soon reach a new level of maturity with a debut corporate Sukuk issuance worth NGN1–2 billion (US\$2.76–5.53 million) planned for the second half of the year by NMRC.

Lotus Capital, which is structuring the seven to 15-year paper of a small size as it will be a test before larger issuances, has opted for the Ijarah structure. However, the facility may also comprise some Murabahah securities. "The goal is to make the Sukuk as tradable as possible in the secondary market, and in Nigeria, only Ijarah structures can be traded," shares Hajara Adeola, CEO and the managing director of Lotus Capital.

Missing the Sukuk boat

NMRC announced its intention to issue Sukuk back in March 2018. At that time, Charles Inyangete, then-CEO of the company, was hoping to see the paper placed by June of the same year. However, NMRC fell behind its schedule as a number of challenges needed to be addressed in the structuring of the deal.

"One of the biggest challenges we have had was aggregating a large enough pool of eligible interest-free mortgages. Because there is only one fully-fledged Islamic bank and one window, the pool of Islamic mortgages is not deep enough to structure a Sukuk and many mortgages do not meet NMRC requirements," Hajara details.

In addition, as Nigeria's Sukuk market is a nascent one, many potential investors want a guarantee as well as strong credit quality. As a government agency, NMRC has one of the highest ratings in the country with 'A-(NG)' and 'A1-(NG)' long and short-term public national scale ratings from Global Credit Ratings.

Yet, due to the chosen Sukuk structure, Shariah advisors have ruled that NMRC cannot guarantee its own instrument. As a result, a third-party credit enhancement structure such as Alpha Credit must be onboarded to create a 'credit wrap' around the instrument.

"If we get everything right and finally issue the Sukuk, it would open the door to a big market," says Kehinde Ogundimu, CEO of NMRC which had refinanced mortgages to the tune of NGN17.5 billion (US\$48.37 million) as at September 2018.



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The Metropolitan Skills Limited is a company incorporated under the Nigeria Laws in the year 2009, it is a company established with clear objectives to deliver a world-class, result-oriented and capacity building corporate and consultancy services to numerous clients of diverse background.

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financial and investment regulatory agencies in Nigeria and other Islamic certified international institutions to introduce Islamic banking and insurance options in the Nigeria economy. The company has been pushing to achieve this purpose by adopting innovative methodologies and training modules in Islamic economics, banking and insurance for personnel of Central Bank of Nigeria, Commercial Banks, Securities and Exchange Commission and other interested bodies and individuals who want to acquire knowledge of how Islamic banking and insurance works.

The metropolitan Skills limited annually leads the delivers of the Africa International Conference on Islamic Finance, which have emerged to be the largest Non-Interest Finance platform in the continent, that brings together captains of industry, regulators, bankers, potential issuers, investors and experts interested in the advancement of the Non-Interest finance ecosystem.

Fund Focus: Stanbic IBTC Shariah Fixed Income Fund

After an eight-year hiatus, Nigeria's Stanbic IBTC Asset Management has launched its second Islamic fund, the Stanbic IBTC Shariah Fixed Income Fund (SFIF), primarily targeting Sukuk issued by the federal government, state governments and corporates. MARC ROUSSOT writes.

On the back of Nigeria's nascent but growing and promising Sukuk market, Stanbic IBTC Asset Management has rolled out the SFIF, an open-ended vehicle offered to both retail and institutional investors.

On the whole, 30–100% of the fund's net asset value (NAV) will be invested in sovereign, sub-sovereign and corporate Sukuk. Up to 70% of the fund's NAV will be poured into Shariah compliant fixed term investments while up to 50% will be channeled to Shariah income contracts such as Murabahah and Ijarah. Finally, no more than 15% of the fund will be maintained in Shariah compliant institutions and non-interest bank accounts.

“The SFIF comes eight years after the launch of Stanbic IBTC Imaan Fund, a Shariah compliant vehicle with a minimum of 60% of the fund's NAV invested in Islamic equities and a maximum of 40% in non-interest fixed income securities”

Nigeria is home to a nascent but promising Sukuk market. As of today, only three Islamic securities have been issued. Osun State sold one paper worth NGN10 billion (US\$27.63 billion) in 2013, while the government placed two Sukuk worth NGN100 billion (US\$276.33 million) each in 2017 and 2018.

A number of Sukuk issuances are also in the making including Nigeria Mortgage Refinance Company's paper expected to be issued by the end of the year. Nigeria's Niger State also started discussing Sukuk issuance in 2018 and the plan could materialize this year.

Selling a total of 10 million units at NGN100 (27.63 US cents) each until the 26th June 2019, Stanbic IBTC Asset Management expects to raise NGN1 billion (US\$2.76 million) with a minimum subscription amount of NGN5,000 (US\$13.78) for 50 units.

The SFIF comes eight years after the launch of Stanbic IBTC Imaan Fund, a Shariah compliant vehicle with a minimum of 60% of the fund's NAV invested in Islamic equities and a maximum of 40% in non-interest fixed income securities.

The fund was originally introduced to private investors in 2011 and later registered with the Securities and Exchange Commission to be publicly traded.

The opinions and viewpoints expressed in the Fund Focus do not constitute as a recommendation for any funds highlighted. The information presented is not investment advice and should not be treated as such.

Table 1: Key features of the fund

Name of the fund	Stanbic IBTC Shariah Fixed Income Fund
Fund manager	Stanbic IBTC Asset Management
Launch date	15 th May 2019
Fund category	Unit trust
Investment objective	The fund aims to provide investors with competitive returns compared to Islamic fixed deposits over a medium to long-term period, while preserving the capital value through exposure to Shariah compliant fixed income securities and investment products.
Asset allocation	30–100% of the fund's NAV in Sukuk 0–70% of the fund's NAV in Shariah compliant fixed term investments 0–50% of the fund's NAV in other Shariah income contracts 0–15% of the fund's NAV maintained in Shariah compliant institutions and non-interest bank accounts
Geographical exposure	Nigeria
Investor profile	The fund is targeted primarily at investors who have a medium to long-term investment horizon with due consideration for their belief in Shariah principles and who are seeking higher returns than typical Shariah fixed deposits, but averse to the risks associated with equity investments.



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Al Baraka Bank South Africa's Sukuk: Country's first Tier 2 Sukuk

IFN takes you to South Africa where Al Baraka Bank issued its maiden Sukuk, dubbed the nation's first Tier 2 capital Sukuk by a South African bank. The facility, floated for ZAR200 million (US\$14.46 million), received a healthy response from the market. DURGAHYENI MOHGANA SELVAM speaks to Abdullah Ameen, the bank's financial director, to bring you further details.

The 10-year tradable Sukuk paper was of the Mudarabah structure, as the bank believes this would accommodate tradability of the paper. "Mudarabah aligns with our current profit-sharing structure as utilized with deposit investments therefore this was a natural choice. Additionally, Mudarabah allows tradability for the Sukuk," Abdullah explains to IFN.

The bank selected Sukuk as it was looking for an alternative method to raise capital. It chose to look beyond share capital — its traditional source of capital — and Sukuk represented uncharted territory for the bank. After careful consideration and following professional advice, Al Baraka opted to prepare a Sukuk structure, approved by its Shariah board.

The Sukuk facility was promoted via a one-on-one, soft marketing approach to present and secure acceptance of the concept due to the little-known nature of Sukuk and its risks and rewards in South Africa. Abdullah believes the approach was successful, as the Sukuk garnered subscriptions from a total of 94 investors, comprising local individuals and institutions in the professional and business sectors. The instrument has allowed the Islamic bank to grow its advances book, by both creating direct cash flow from its proceeds and allowing the bank to leverage its capital effect as required by regulation.

The making of the Sukuk was not an easy one, as with any new initiatives. "Initial understanding and structuring together with various approvals took some time but these were largely due to the learning curve associated with any new project. The initial marketing was also gradual but this picked up as the customer base started to understand the product," Abdullah recounts.

Demand for the paper is continuing even though the issuance is now fully subscribed. Due to the popularity of the Sukuk, the bank now intends to tap the Islamic debt capital market again. "Although fully subscribed at this time, we now have numerous prospective investors showing great interest in the Sukuk investment concept which, based on the risk involved, yields an encouragingly higher rate of return to holders," he says.



Al Baraka Bank South Africa's Sukuk

ZAR200 million



20th November 2018

Issuer	Albaraka Bank via Albaraka Sukuk Trust
Obligor	Multiple
Size of issue	ZAR200 million (US\$14.46 million)
Purpose	To raise Tier II capital
Tenor	10 years
Profit rate	Floating based on Mudarabah sharing ratio
Payment	Profit payable monthly, capital on redemption
Currency	South African rand
Maturity date	Multiple commencing the 30 th September 2026
Governing law	South African law
Legal advisor(s)/counsel	Norton Rose Fulbright
Underlying assets	Assets within Albaraka Bank's advances pool
Shariah advisor	Albaraka Bank's Shariah supervisory board
Structure	Mudarabah
Tradability	Yes
Investor breakdown	94 investors
Face value/minimum investment	Minimum investment of ZAR1 million (US\$72,298.8), thereafter multiples of ZAR100,000 (US\$7,229.88)



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Nigeria's sovereign Sukuk: Sophomore success

Nigeria's Sukuk success continues with its sophomore sovereign paper issued at the end of December 2018. The paper, issued in the same amount as the maiden paper in 2017, saw a healthy spike in the number of retail investors and met a challenge unlike others, in the form of an overwhelming response in hardcopy submissions. DURGAHYENI MOHGANA SELVAM explores the makings of the deal.

Nigeria's second visit to the Islamic debt capital market was through a tradable, rated and listed domestic paper. The Sukuk facility follows the Islamic principles of Ijarah with roads as its underlying assets. Toyin Kekere-Ekun, CEO of Lotus Financial Services which is one of the lead managers, arrangers and bookrunners of the issuance, tells IFN that the structure was selected due to its familiarity, legality and flexibility.

"Nigeria's legal and regulatory framework accommodates the Ijarah structure. It is well-understood by government agencies and accepted by the investment community. The forward Ijarah structure was also selected because it allows for funds raised to be used in the construction and rehabilitation of 28 road projects across the country," Toyin shares.

The issuance was structured and arranged in a similar way as the first. But in an aim to boost retail participation which was at 5% during the previous issuance, the issuer also enlisted stockbrokers as Sukuk placement agents during the latest issuance. Consequently, retail investors increased to 17%.

The paper achieved a subscription level of 132% compared to the maiden Sukuk, which had a subscription rate of 105%. Strong interest was registered from retail investors, non-interest banks, ethical fund managers and other asset managers who collectively accounted for about 40% of investors. Pension funds remained the single largest investor bloc due to their preference for long-tenored securities. "Considering the dearth of competitively priced Shariah compliant alternatives, it is not surprising that the uptake of the latest Sukuk exceeded expectations," explains Toyin.

The main challenge was processing the overwhelming response from retail investor subscriptions, most of which were submitted in hard copies across the 36 states of the country within the short offer period. Toyin says that in future, the government may consider the use of fintech to facilitate the subscription process.

With such a success rate, Toyin is optimistic of continuing its winning streak for the third time. "Given the government's sizeable funding requirement and the remarkable success of its Sukuk issuances, we believe the federal government will revisit Sukuk and make it a staple of infrastructure financing in Nigeria," he foresees.



Federal government of Nigeria's Sukuk Ijarah



NGN100 billion

December 2018

Issuer	FGN Roads Sukuk Company 1	
Obligor	Federal government of Nigeria	
Size of issue	NGN100 billion (US\$275.5 million)	
Purpose	Road construction and rehabilitation	
Tenor	Seven years	
Profit rate	15.74%	
Currency	Nigerian naira	
Maturity date	December 2025	
Lead managers, principal advisors and bookrunners	Lotus Financial Services and FBN Merchant Bank	
Governing law	Nigerian law	
Legal advisor(s)/counsel	Banwo & Ighodalo, Sefton Fross, Udo Udoma & Bello Osagie; The Metropolitan Law Firm	
Listing	To be listed on the Nigerian Stock Exchange and FMDQ OTC Securities Exchange	
Shariah advisor	Financial Regulation Advisory Council of Experts of the Central Bank of Nigeria	
Structure	Ijarah	
Investor breakdown	Retail	17.33%
	Ethical fund managers/non-interest banks	10.94%
	Other fund managers and non-bank financial institutions	11.65%
	Insurance companies	0.68%
	Deposit money banks	17.5%
	Pension funds	40.7%
	Government agencies	0.38%
	Other institutional investors	0.82%
	Total	100%

New capital base for Nigerian Takaful firms

NIGERIA: The National Insurance Commission (NAICOM) has announced the recapitalization of Takaful, insurance and reinsurance companies in Nigeria, Journal du Cameroun reported citing Salami Rasaq, the head of the Commissioners Directorate of the NAICOM.

The minimum capital base for life insurance companies was increased from NGN2 billion (US\$5.51 million) to NGN8 billion (US\$22.05 million), while general insurance was increased from NGN3 billion (US\$8.27 million) to NGN10 billion (US\$27.56 million).

Composite insurance was increased from NGN5 billion (US\$13.78 million) to NGN18 billion (US\$49.61 million), while the reinsurance capital base was increased to NGN20 billion (US\$55.12 million) from NGN10 billion.

IDB extends financing to Nigeria

NIGERIA: The government of Nigeria has obtained a financing facility of US\$523,823 from the IDB, based on an agreement signed on the sidelines of the 44th IDB Annual Meeting in Morocco.

The fund, in the form of a grant, would be used to address capacity-building, acquisition of equipment and logistics upgrade for the National Hajj Commission, as well as for the improvement of the nation's cotton, textile and garment value chain. The National Hajj Commission would receive US\$243,823 whereas the Federal Ministry of Industry, Trade and Investment would receive the remaining US\$280,000.

Jaiz Bank to boost e-banking channels

NIGERIA: Jaiz Bank, an Islamic bank, is focusing on enhancing its e-banking facilities to further develop customer service, ease congestion at its physical branches and promote financial inclusion. According to PM News Nigeria citing the bank's Kaduna branch manager, Muhammad Halilu, Jaiz Bank is also looking to open more branches this year.

Medina Islamic Finance partners with United Labs

KENYA: Islamic digital microfinance platform Medina Islamic Finance has partnered with New York-based United Labs, confirmed a statement. The partnership will allow Medina Islamic Finance to leverage machine learning and data science to further enhance its banking platform. The US data science venture studio will provide the Kenyan start-up with access to artificial intelligence technology and automated local language customer support systems.

Isuzu EA partners with GAB

SOUTH AFRICA: Isuzu East Africa (Isuzu EA) has signed a Shariah compliant asset finance partnership with Gulf African Bank (GAB), targeting Muslim-owned SMEs and businesses, Capital FM reported.

The partnership will see Muslim and non-Muslim clientele alike enjoy up to 95% Shariah compliant structured financing on all Isuzu models including Isuzu D-max, N series trucks and F series trucks.

FNB launches Islamic trade finance solutions

SOUTH AFRICA: Amid growing demand for Shariah compliant import finance from business customers, First National Bank (FNB) has launched Islamic trade finance solutions, according to a press release.

The FNB Islamic Trade Finance offering is modeled on the Murabahah arrangement and further includes access to various trade finance products such as import letters of credit, foreign bills for collection, forward exchange contracts, guarantees and open account payments.

Zamzam Bank gets nod from NBE

ETHIOPIA: The National Bank of Ethiopia (NBE) has given its greenlight for the formation process of Zamzam Bank, which would become the country's first fully-fledged Islamic bank, Capital Ethiopia reported. This comes as Prime Minister Abiy Ahmed announced that the government will allow interest-free banking in the country.

Zamzam Bank was first officially launched in December 2010 and ETB330 million (US\$11.31 million) had been raised against a proposed capital of ETB250 million (US\$8.57 million).

However, the bank never started operations as the NBE introduced a directive in September 2011 barring fully-fledged Islamic banks while authorizing windows.

IFAAS to aid Ethiopian microfinance company

ETHIOPIA: NGO Mercy Corps (MC) has appointed Islamic Finance Advisory & Assurance Services (IFAAS) to assist an Ethiopian microfinance company to set up its Islamic window, confirmed a statement. This follows an earlier research project by IFAAS, as engaged by MC, to assess the Ethiopian financial industry and identify challenges and opportunities for Islamic financial instruments in the country. MC's initiative to unlock the potential of Islamic finance to drive financial inclusion in Ethiopia is partly-funded by the UK's Department for International Development.

BoU to establish Shariah Advisory Council

UGANDA: The Bank of Uganda (BoU) is currently in final talks with various stakeholders to establish a Shariah Advisory Council that will oversee the regulation and supervision of the nation's Islamic banking segment.

Concurrently, the apex bank is currently processing three applications that it has received from entities seeking to offer Islamic banking services, according to New Vision citing Dr Louis Kasekende, the bank's deputy governor.

One of the applicants — which is currently offering traditional banking services in Uganda — is seeking to set up an Islamic finance window while the other two applicants are entities outside Uganda interested in acquiring Islamic banking licenses.

Banks apply for Islamic banking in Uganda

UGANDA: Tropical Bank has submitted an application to the Bank of Uganda (BoU) to set up an Islamic finance window.

According to Business Focus citing the deputy governor of the BoU, Dr Louis Kasekende, two other entities (one from the UAE and the other from South Sudan), have submitted applications for Islamic banking licenses in Uganda.

The applications are currently being processed by the BoU's supervision directorate.

Al Baraka Bank Sudan

SUDAN: Al Baraka Banking Group has announced in a statement that it has appointed Elrasheed Abdelrahman Ali as the new general manager of Al Baraka Bank Sudan, replacing Abdullah Khairy who has retired.

Elrasheed joined Al Baraka Bank Sudan in 2000 as an investment manager and became the bank's deputy general manager in 2015.

Ivory Coast seeks IDB's support for university

IVORY COAST: Prime Minister Amadou Gon Coulibaly of the Ivory Coast has solicited the support of the IDB to finance the construction of a university in the city of Odienne during a meeting with Dr Bandar Hajjar, the chairman of the IDB, Afrique sur 7 reported.

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JUDE CHIEMEKA — *Divisional Head, Trading Business, Nigeria Stock Exchange*

Keynote Address: Harnessing the Islamic Finance Sector for Infrastructure Development and Economic Growth



ABDULKADIR ABBAS — *Deputy Director, Securities and Exchange Commission*



Islamic Finance, Investment, Banking and Takaful in Nigeria

Nigeria is the second-largest OIC economy; nevertheless, the sustained low oil price has impacted its economy. With a growing Islamic finance sector and the stability of the government, there is immense potential for sustainable growth. Through a respected panel, we take a look at developments in regulation, banking, capital markets, investment management and Takaful and their impact on the Nigerian economy. In addition, we assess the success of its debut sovereign Sukuk and the opportunities for Islamic finance in the region.



AHSAN ALI

*Head of Islamic Origination,
Standard Chartered Bank*



ABDULKADIR ABBAS

*Deputy Director,
Securities and Exchange
Commission*



JUDE CHIEMEKE

*Divisional Head,
Trading Business,
Nigerian Stock
Exchange*



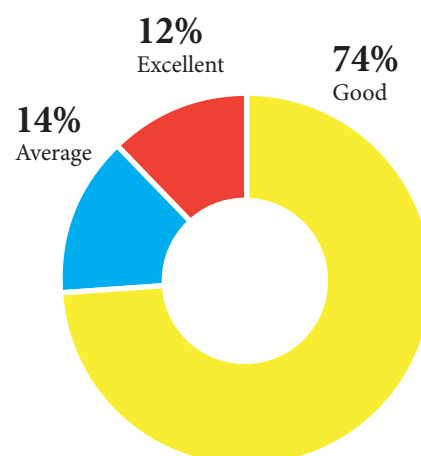
PATIENCE ONIHA

*Director General,
Debt Management
Office*

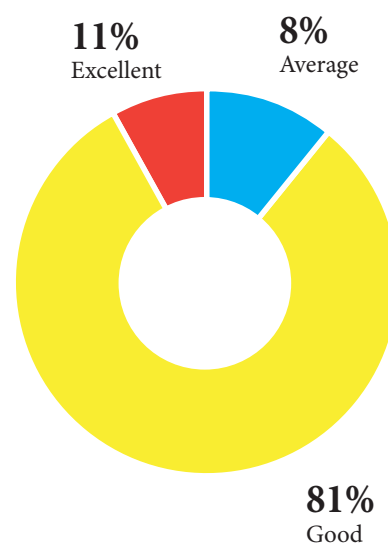


UMARA FAROUK AMINA

*Head, Research
& Strategy
Management,
National Pension
Commission*



Interview



Interviewee: **PATIENCE ONIHA** — Director General, Debt Management Office

Interviewer: **MARC ROUSSOT** — Senior Journalist and Multimedia Editor, Islamic Finance news

Nigerian federal government to continue Sukuk momentum with third offering this year

In a bid to fund infrastructure projects, diversify its sources of funding and further achieve financial inclusion, Nigeria's Debt Management Office (DMO) will print a third consecutive Sukuk facility by the end of the year following two successful issuances in 2017 and 2018, with plans for a dollar paper on the horizon. MARC ROUSSOT writes.

The forthcoming transaction, set to make Nigeria a regular African issuer of Shariah papers, should be similar to the past two deals worth NGN100 billion (US\$271.37 million) each, as it will likely be denominated in the Nigerian naira and follow the Ijarah structure, Patience Oniha, the director-general of the DMO, revealed during the inaugural IFN Nigeria Forum which gathered over 200 market players in Lagos.

However, the Islamic facility could be of a larger size depending on market appetite and could have a longer tenor, extending from seven years for the past two papers to 10 years. The underlying asset has yet to be identified.

With this new Sukuk plan, the DMO is targeting to widen its investor base and to further promote financial inclusion, aiming for 30% or more of retail investors in the next deal.

In the first issuance, 5.1% of Sukukholders were retail investors, a percentage which jumped to 17.33% in the second issuance. This was achieved through a massive awareness and education campaign.

Besides domestic Sukuk, the DMO also has an international Sukuk issuance in the pipeline but the deal will certainly not be closed this year, Oniha said, adding: "The DMO's strategy seeks to achieve a target of 40% external debt. As of December 2018, the DMO was at 22% so there is some room to go." The DMO, which closed its second green bond sale worth NGN15 billion (US\$41.31 million) on the 10th June, is also looking at green Sukuk in the future, although it would need more research to be done prior to going down that road.

With potentially three Sukuk in three years, and more Shariah papers in the pipeline, Nigeria would become one of the most advanced African sovereigns in leveraging the capacity of the Islamic capital market to fund infrastructure-based projects and achieve financial inclusion.

As of today, Nigeria, Sudan, Gambia, Morocco, Mali, Togo, Senegal, Mauritania and South Africa have issued Shariah securities in Africa. More are to come with Algeria, Kenya and Egypt having Sukuk plans.



Corporate Financing and Capital Raising in Nigeria: What does Islamic Finance offer?

We ask leading capital market professionals to discuss the prospects for domestic and regional capital and Sukuk markets in the coming months. What structures and asset classes will find favor with issuers and investors? We examine distribution, ratings and credit enhancement measures and identify other factors facing issuers in the Nigerian capital market. What challenges still exist within domestic taxation and regulatory frameworks and how can these be addressed? Finally, what do Sukuk offer West African sovereign, multilateral and supranational issuers?



**ADEOLA
SUNMOLA**

*Partner, Udo Udoma
& Belo Osagie*



HAJARA ADEOLA

*Managing Director/
CEO, Lotus Capital*



**OLUSEUN
OLATIDOYE**

*Head, Debt Capital
Markets, FBNQuest
Merchant Bank*



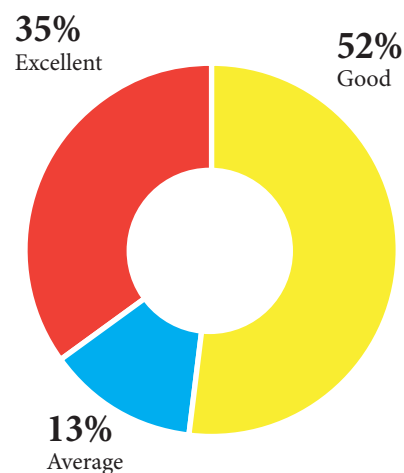
SHUAIB AUDU

*Executive Director,
Stanbic IBTC Asset
Management*

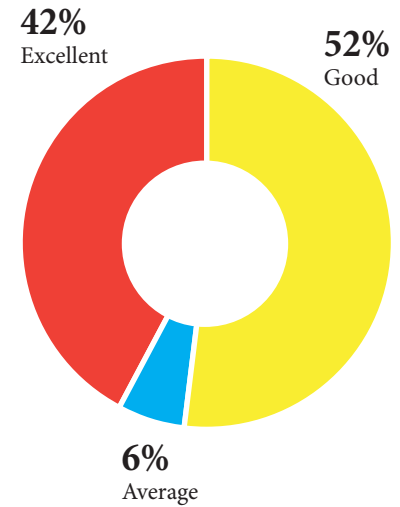


VIVIEN SHOBO

*Managing Director,
Agusto & Co*



Recent Developments in International Islamic Financing and Sukuk Markets



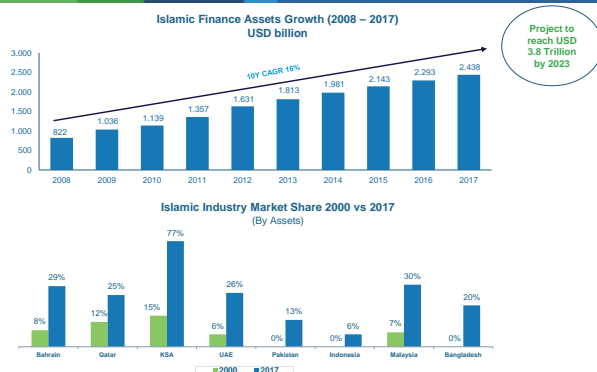
AHSAN ALI — Head of Islamic Origination, Standard Chartered Bank



International Islamic Financing and Sukuk Market

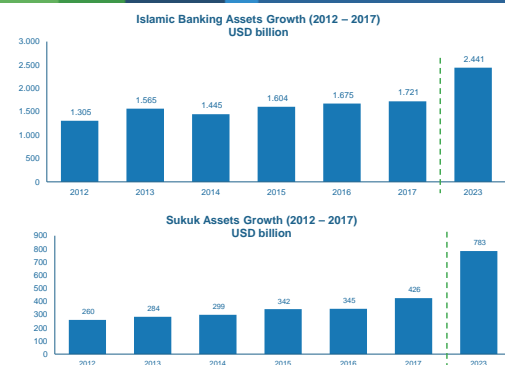
June 2019

Global Islamic Finance Market – Size & Growth



*Source: Islamic Financial Services Industry Stability Report 2018
These jurisdictions are Iran, Saudi Arabia, the UAE, Malaysia, Kuwait, Qatar, Turkey, Bangladesh, Indonesia and Bahrain
Thomson Reuters, Islamic Finance Development Report 2018

Islamic Banking & Sukuk Market



*Source: Islamic Financial Services Industry Stability Report 2018
These jurisdictions are Iran, Saudi Arabia, the UAE, Malaysia, Kuwait, Qatar, Turkey, Bangladesh, Indonesia and Bahrain
Thomson Reuters, Islamic Finance Development Report 2018

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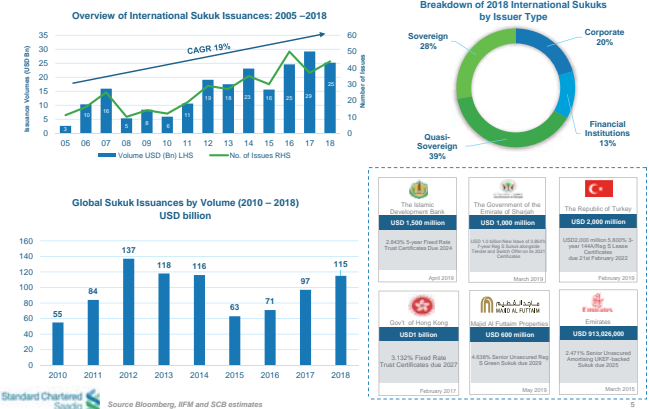
NIGERIA POST-FORUM REPORT

Global Islamic Finance - Growth Drivers



Sukuk Market Update

The Sukuk industry remains one of the main components of the Islamic Finance system

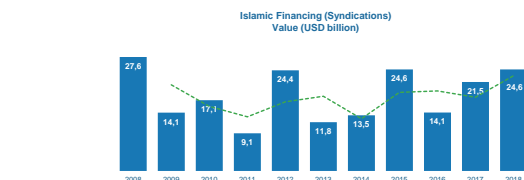


Recent Trends in the Sukuk Market

Driven mainly by the opportunity of tapping into new pools of funds, the past few years have seen a major breakout in the Sukuk market



Islamic Financing and Syndications Market



- Tap additional liquidity pool / new source of capital
- Dual tranche solution: can also be arranged side by side with a conventional tranche
- Structured Solutions possible such as, Project & Infrastructure financing, Shipping and Aviation, Export-Credit Agency, and Multilateral Development Banks guaranteed structures.
- Rating Agencies, Advisors, credit insurance companies, ECAs, MDBs and Legal firms have all grown familiar and comfortable with Islamic structures

Thank You



Funding Infrastructure and Social Welfare Requirements in West Africa

We discuss public-private partnerships, financing structures as well as opportunities in active sectors.



**JUBRIL
SALAUDEEN**

COO, Citiserve



**AIG
IMOUKHUEDE**

*Head, Capital
Markets Coronation
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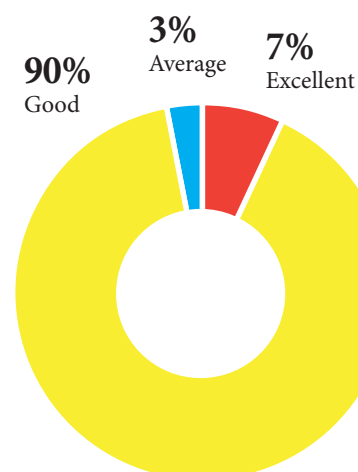
**BASHIR SHARIF
ISYAKU**

*Head, North-west
Regional Tax Audit,
Federal Inland
Revenue Service,
Kano*



**UMMAHANI
AHMAD AMIN**

*Principal Attorney,
The Metropolitan
Law Firm*



Key Takeaways:

I discovered that there are information and communication gaps among the Islamic finance regulators in Nigeria. The level of awareness of Islamic finance in Nigeria is very low. The infrastructural deficit in Nigeria and West Africa can be bridged by Islamic finance and IFN activities are very good tools for promoting Islamic finance worldwide.

*Bashir Sharif Isyaku
Head, North-west Regional Tax Audit,
Federal Inland Revenue Service, Kano*

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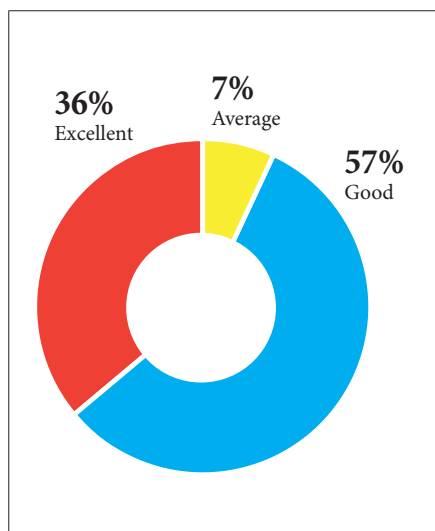
Name	Company Name
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ADEOLA SUNMOLA	Udo Udoma & Belo Osagie
AHSAN ALI	Standard Chartered Bank
BASHIR SHARIF ISYAKU	Federal Inland Revenue Service, Kano
HAJARA ADEOLA	Lotus Capital
HAJIA AISHA DAHIR-UMAR	National Pension Commission
JUBRIL SALAUDEEN	Citiserive
JUDE CHIEMEKA	Nigerian Stock Exchange
MARC ROUSSOT	Islamic Finance <i>news</i>
OLUSEUN OLATIDOYE	FBNQuest Merchant Bank
PATIENCE ONIHA	Debt Management Office
SHUAIB AUDU	STANBIC IBTC Asset Management
UMMAHANI AHMAD AMIN	The Metropolitan Law Firm
VIVIEN SHOBO	Agusto & Co

7 th Attendant	DSA Associates	Meristem Capital
ACIED	Ecobank	Meristem Securities
Aelix partners	Embassy of France	Morgancapital securities
Africa Prudential	Emmvic Enterprise	Muswen
African Alliance Insurance	Equity Capital Solutions	Mutual Capital
Afrinvest Asset Management	Faithshield Investment	National institute for Sports
AG Logistics	Falcon Securities Limited	Nigerian Newsdirect
Agusto & Co	FBNQuest Securities	Nigerian Stockbrokers
AIICO Pension Managers	FCSL Asset Management	Nigerian - German Business Association
Alfattah Resources Enterprises	Federal Inland Revenue Services	NLPC Pension Fund
Al - Hikmah University	Federal Mortgage	Noor Takaful
Aliant	Financial Edge	Oak Pensions
Almon Finance	Forthright securities & Investment	Omoluabi Mortgage Bank
Anchoria Investment	Fortress Capital	Oxford Business Group
Apel Asset	FSL Management Services	Oxford Commercial Services
APT securities and Funds	Futureview Financial Services	PAC Securities
ARM securities	Futureview group	Pinefields Investment Services
Assist Technology	Ghana Post	PwC Nigeria
Association of Issuing Houses of Nigeria	Global Credit Rating	Qais Conrad Laureate
Astra Ionos Capital	Global Security	Rainbow Securities & Investment
Avril Professional Services	Golders Green & Associates	Redeemer's University
Axa Mansard Pensions	Greenwich Asset Mangement	Regency Assets Management
Babura Microfinance Bank	Greenwich Securities	Rovedana
Bala Isah Garba & Company	Greenwich Trust	SA Rawani Investment
Bank of Industry	GT bank	Sanbelly Associates
Banking & Finance Africa Consulting	H.S Usman & Co	SEC NIGERIA
Banwo & Ighodalo	Habanera	Securehuda
Barwon Oil Ventures	Halal Takaful Nigeria	Sefton Fross
Bayero University Kano	Hamad Bin Khalifa University	Skyview Capital
Bah Business Ventures	Higher Colleges of Technology	Smadac Securities
Bestedge Concept	HUS Grace Bureau De Change	SPA Ajibade & Co
Blokgrup	ICS Outsourcing Nigeria	STANBIC IBTC Nominees
Bruno Property Nigeria	Imperial Asset Managers	Standard Chartered Bank
BVM Consult	Industrial & General Insurance	Sterling Bank
Camposolar	Integrated Trust	STL Trustees
Capital Assets	International Center of Islamic Economy	Suntrust bank
Capital Club West Africa	Investment One Financial Services	Tawakkal Medical Services
Capital Market Registrars	Istabaraqim Nigeria	The Difference
Cardinalstone Partners	Jaiz Bank	The Economist
Champion Newspapers	KDI Engineering	The Investment Society
Chukwuemeka Consulting Nigeria	Kedari Capital	The Metropolitan Law Firm
Citibank Nigeria	Kord Capital	The New Practice
Clifford Chance	KPMG Nigeria	The Nigerian Stock Exchange
Community Environmental Network	Lagos State University	Thinking House Consulting
Compass	Laikipia University	Tope Adebayo
Coronation Asset Management	Landgold Microfinance Bank	Trex
Coronation Merchant Bank	Lead Securities & Investment	TRW Stockbrokers
Cowry Asset Management	Leadway Pensure	Udo Udoma & Belo-Osagie
Craft Silicon	Literamed	United Bank for Africa
Crown Capital	Loftyinc Capital Management	Valmon Securities
Davids Graduate School	Lotus Capital	Valueline Sec.& Investments
De Apps Technologies	Marble Capital Training	Verraki Partners
Definacc Solutions	Markham Development	WSTC Financial Services
Diadem Travels International	Marubeni Nigeria	Zenith Pension Custodian
Diamond Pension Fund Custodian	Mega Capital	

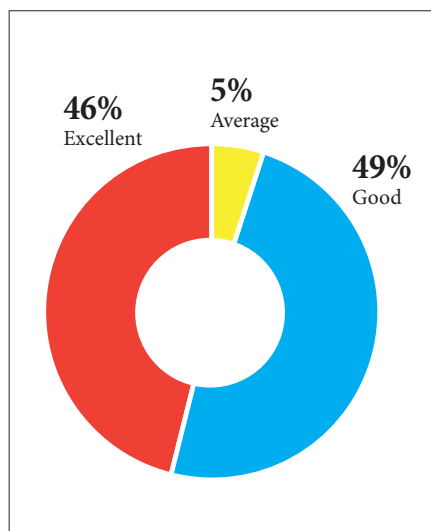
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NIGERIA POST-FORUM REPORT

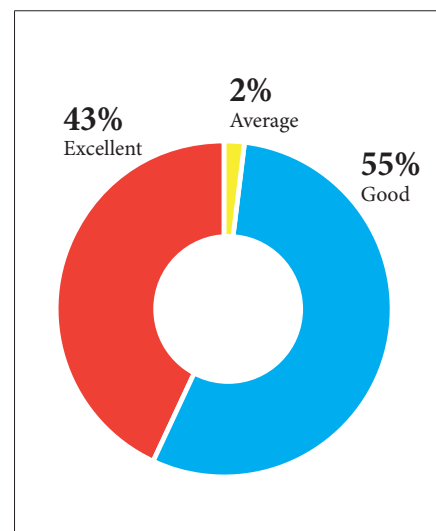
Pre-event Contact



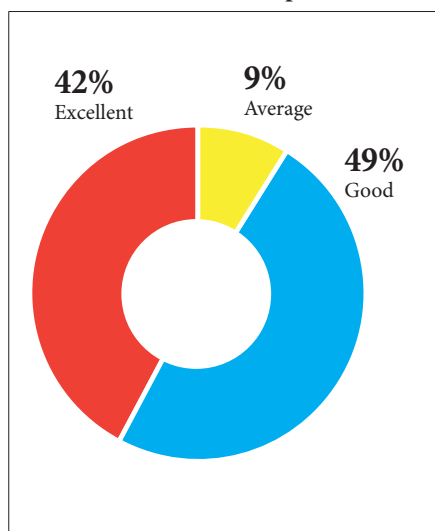
Venue & Facilities



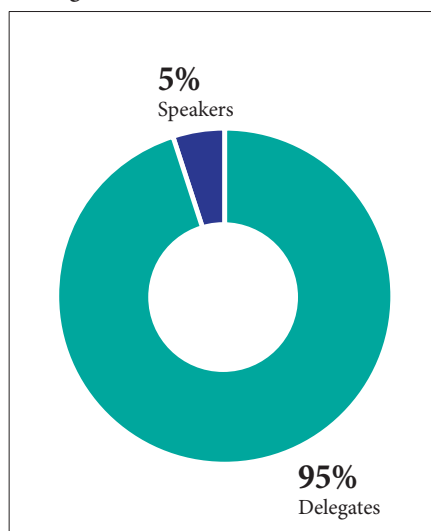
Overall Evaluation of the Event



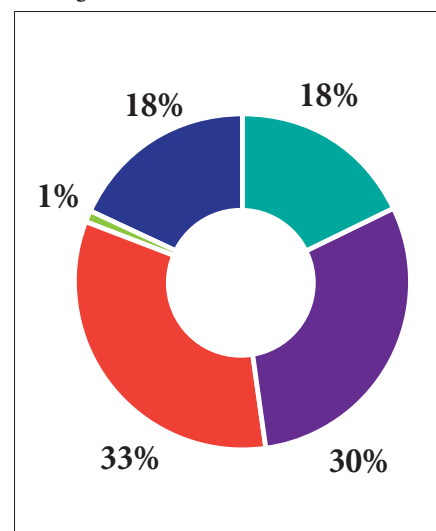
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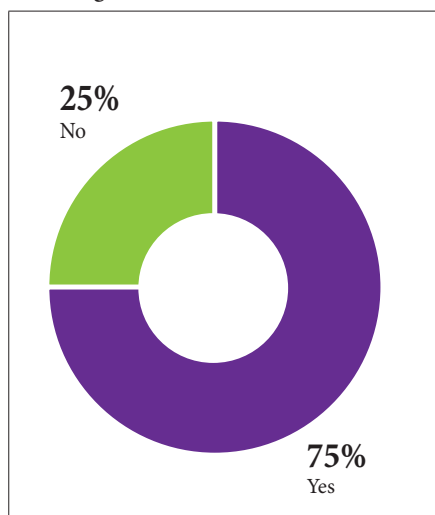
Delegate Breakdown



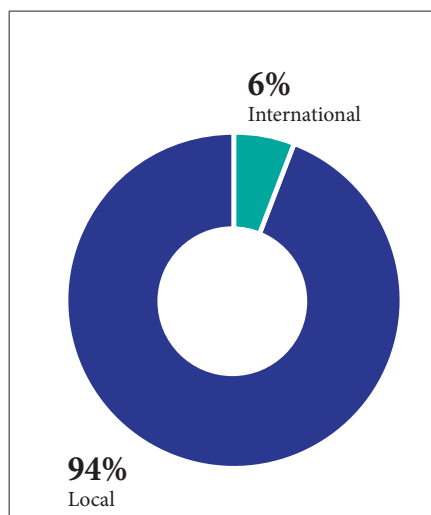
Delegate Job Title Breakdown



Delegates Who Would Like to Attend IFN Nigeria Forum 2020



Delegate Breakdown (International & Local)



Delegate Job Title	No
Board Level Management	85
Senior Management	78
Management	48
Executive	48
Others	3
Total	262



"Congratulations on a very successful event."

*Hajara Adeola
Managing Director/CEO, Lotus Capital*

"This is the best Islamic Finance Forum I have ever attended."

*Bashir Sharif Isyaku
Head, North-west Regional Tax Audit, Federal Inland Revenue Service, Kano*



"Very much appreciated and a big congratulations to you and your team. The event was very successful. We look forward to many more collaborative efforts."

*Jude Chiemeka
Divisional Head, Trading Business, Nigerian Stock Exchange*



"IFN Nigeria Forum was the perfect platform to boost discussions around the growth and direction of Islamic finance in Nigeria. The diversity of participants, involvement of regulators and pertinent topics deliberated all contributed to the success of the event. We are pleased to have partnered on such an impactful forum."

*Toyin Kekere-Ekun
CEO Lotus Financial Services*





Opportunities for Islamic Finance, Banking and Investment in Kenya and East Africa

We discuss key ideas, issues and themes influencing Islamic finance, banking and investment in Kenya and the region. What will offer opportunity and what will disrupt and what role will Islamic finance play in the development of social inclusion and the achievement of the UN Sustainable Development Goals in East Africa? What of new regulatory measures designed to boost domestic Islamic finance activity and what else is needed to grow capital markets, investment management, banking and Takaful?



TEGO WOLASA
Retail and Product Development Manager, KCB Sahl Bank



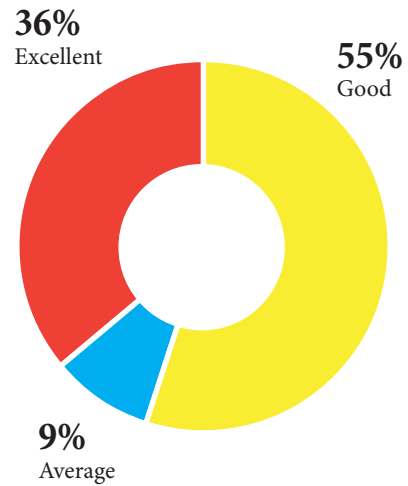
AHSAN ALI
Head of Islamic Origination, Standard Chartered Bank



CLAIRE MATHESON KIRTTON
Partner, White & Case



JUSTUS AGOTI
Senior Researcher, Capital Markets Authority



Opportunities for Islamic Finance, Banking and Investment in Kenya and East Africa

Key Takeaways:

Graced by leading market practitioners and regulators from across the globe, IFN Kenya Forum brought the potential that Islamic finance has to the fore. Kenya is currently one of the fastest-growing Islamic finance markets in the region and will only get better from the discussions during the forum.

While the government is fully in support of Islamic finance, a number of issues are hindering the smooth issuance of Sukuk. Among them is the long documentation process as compared to bonds.

The government is also not decided if it should adopt the asset-backed or asset-based Sukuk model. Also in consideration are assets which should be used in such cases.

Since most of the expected investors are foreigners, it is believed that they would be more comfortable investing in an SPV registered outside the country while the government might not be comfortable giving ownership of a public asset to be used in the Sukuk to a foreign-registered SPV.

The aforementioned issues are being resolved and the government will, in the foreseeable future, float a Sukuk paper.

The experts challenged industry players to make deliberate efforts to grow the micro business which will help in achieving the desired financial inclusion. As it stands, Islamic microfinance accounts for less than 1% of Islamic finance.

The sector players were also urged to position themselves to support the government of Kenya in achieving the agenda of food security, education, affordable housing and manufacturing. As such, the government was requested to speed up the regulatory framework which will boost the sector.

Lack of awareness and a knowledge gap came up during the forum and the audience expressed the need to see increased activities from industry players in enhancing the visibility and importance of Islamic finance.

Kenya currently only has one Takaful industry. A section of the audience urged the government to register more players especially on the microTakaful front. It was acknowledged that banks have shied away from micro customers because of the inherent risk which would have been well handled by microTakaful.

Tego Wolasa

Retail and product development manager at KCB Sahl Bank, Kenya



Corporate Financing, Capital-Raising and Projects in Kenya: What does Islamic and Responsible Finance offer?

We ask a respected panel to discuss the prospects for domestic and regional capital and Sukuk markets. What structures and asset classes will find favor with issuers and investors? We examine key factors facing issuers and projects in the Kenyan and East African markets: what challenges still exist within domestic taxation and regulatory frameworks and how can these be addressed? What does Islamic finance offer East African sovereign, multilateral and supranational issuers as well as PPP [public-private partnership] and infrastructure projects? Finally, what are the opportunities for Islamic and ethical finance to fund and cooperate with sustainable and responsible projects in key sectors such as energy, education, healthcare and agriculture?



RAHMA HERSI

Partner, Gateway

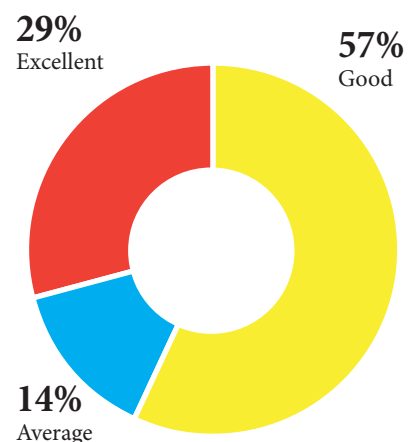


AHSAN ALI

*Head of Islamic Origination,
Standard Chartered Bank*



**JEAN-PIERRE
LABUSCHAGNE**



**MOHAMED ALI
MAAWY**

*Director of Business Development,
iFinancial Management*



NICOLE GICHUHI

*Senior Associate,
Anjarwalla & Khanna*



VICTOR NIKIIRI

*Capital Markets Development
Specialist, FSD Africa*

Keynote Address: Pensions in Kenya — Opportunities for Shariah Compliant Options



NZOMO MUTUKU — CEO, Retirement Benefits Authority

GLOBAL INDUSTRY ONE PUBLICATION

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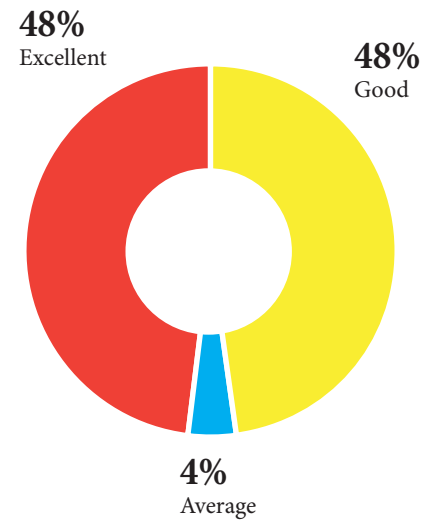
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www.islamicfinancenews.com

Recent Developments in International Islamic Financing and Sukuk Markets



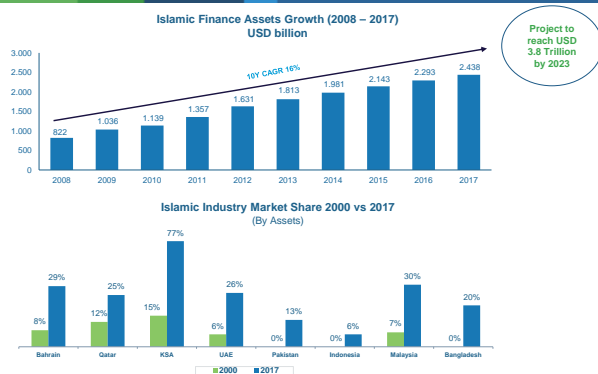
AHSAN ALI — Head of Islamic Origination, Standard Chartered Bank



International Islamic Financing and Sukuk Market

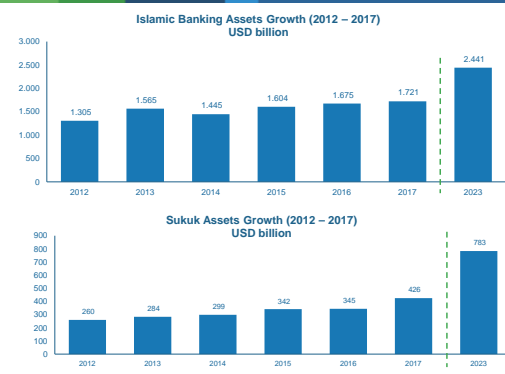
June 2019

Global Islamic Finance Market – Size & Growth



*Source: Islamic Financial Services Industry Stability Report 2018
These jurisdictions are Iran, Saudi Arabia, the UAE, Malaysia, Kuwait, Qatar, Turkey, Bangladesh, Indonesia and Bahrain
Thomson Reuters, Islamic Finance Development Report 2018

Islamic Banking & Sukuk Market



*Source: Islamic Financial Services Industry Stability Report 2018
These jurisdictions are Iran, Saudi Arabia, the UAE, Malaysia, Kuwait, Qatar, Turkey, Bangladesh, Indonesia and Bahrain
Thomson Reuters, Islamic Finance Development Report 2018

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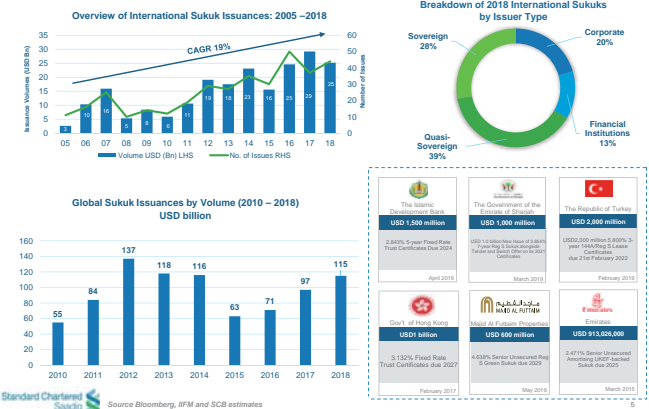
KENYA POST-FORUM REPORT

Global Islamic Finance - Growth Drivers



Sukuk Market Update

The Sukuk industry remains one of the main components of the Islamic Finance system

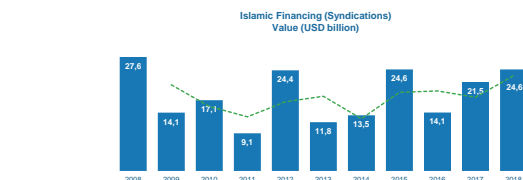


Recent Trends in the Sukuk Market

Driven mainly by the opportunity of tapping into new pools of funds, the past few years have seen a major breakout in the Sukuk market



Islamic Financing and Syndications Market



- Tap additional liquidity pool / new source of capital
- Dual tranche solution: can also be arranged side by side with a conventional tranche
- Structured Solutions possible such as, Project & Infrastructure financing, Shipping and Aviation, Export-Credit Agency, and Multilateral Development Banks guaranteed structures.
- Rating Agencies, Advisors, credit insurance companies, ECAs, MDBs and Legal firms have all grown familiar and comfortable with Islamic structures

Thank You



Nurturing Digitization and Financial Technology in Kenya and Promoting Financial Inclusion in East Africa

Through an expert panel we discuss the role of technology in the Kenyan financial services industry, and assess the latest developments in platforms, products and delivery channels across a wide spectrum of financial services. What do blockchain and smart contracts offer Islamic financial institutions, intermediaries and end-users, and what solutions are on offer to serve retail and SME sectors in particular? How can technology drive and promote financial inclusion in Kenya?



TEGO WOLASA

Retail and Product Development Manager, KCB Sahl Bank



ALI HUSSEIN

Principal, AHK & Associates



DAVID CRACKNELL

Director, First Principles Consulting



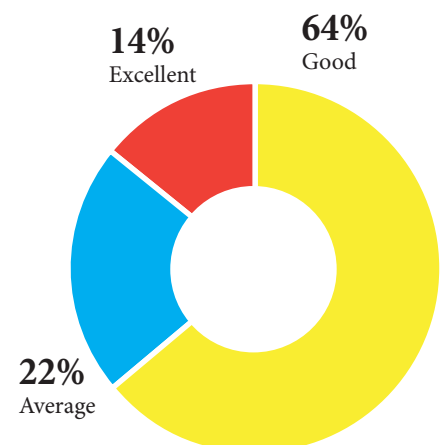
DECLAN MAGERO

Founding Partner, Afrinet Capital



JOEL MACHARIA

Founder and CEO, Abacus Kenya



Name	Company Name
AHSAN ALI	Standard Chartered Bank
ALI HUSSEIN	AHK & Associates
CLAIRE MATHESON KIRTON	White & Case
DAVID CRACKNELL	First Principles Consulting
DECLAN MAGERO	Afrinet Capital
JEAN-PIERRE LABUSCHAGNE	
JOEL MACHARIA	Abacus Kenya
JUSTUS AGOTI	Capital Markets Authority
MOHAMED ALI MAAWY	Ifinancial Management
NICOLE GICHUHI	Anjarwalla & Khanna
NZOMO MUTUKU	Retirement Benefits Authority
RAHMA HERSI	Gateway
TEGO WOLASA	KCB Sahl Bank
VICTOR NIKIIRI	FSD Africa

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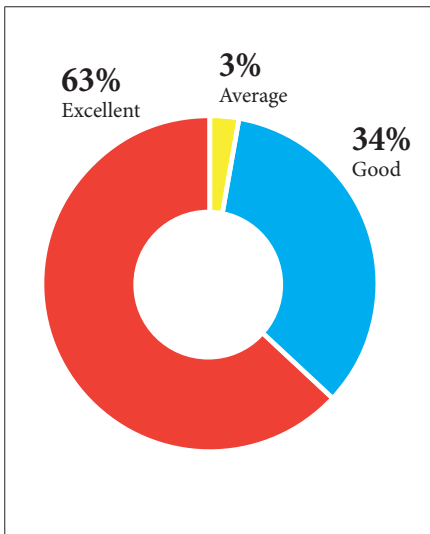
KENYA COMPANIES' LIST

12 BA Kenya	Mukmil Opportunity
Alhuda Cibe	MWC Legal
Altan Consulting	Nabptex
Amiran Communications	Nairobi Securities Exchange
Amplitude Investments	National Bank Of Kenya
Anjarwalla & Khanna Advocate	Ndungu Muiruri & Co.
Awal Consulting	New Light Africa
Brae Capitals	Northstar Technologies
Buildafrique Consulting	Operation
Busia Mega Builders	Oxford Business Group
Capital Market Authority	PISR
Carewell Society	Pacific Enterprise
Community Environmental Network	PASCA
Craft Silicon	Proc & Logistix Consulting
Credit Auan	RBA
Destination Brands	Sisitech
DG Logistics	Solidarity For Peace Kenya
Eiger	Soltic Africa
Eunaul Enterprises	Standard Chartered Bank
Faisal Private Bureau	Swadeb Construction
Family For Empowerment	Tech Dimensions
First Principles Consulting	UIP Real Estate
Forem	University Of Nairobi
Forex & Cryptocurrencies	Vartech East Africa
Fuji Office Machines	Walker Kontos
Gateway Islamic Advisory	Wasilianahub Africa
Genghis Capital	White & Case
Ghana Post	Women Environmental Network
Goldenscape Group	Yousund Kenya
Guadalupe School	
Gulf African Bank	
House Of Zakat & Waqf	
Learn Kenya	
International Turnkey Systems	
ITS	
Janem	
Jkuat	
Kenya School Of Law	
KPMG East Africa	
Laikipia University	
Law Society Of Kenya	
Mamu Twinbro Investment	
Muchuu Builders	

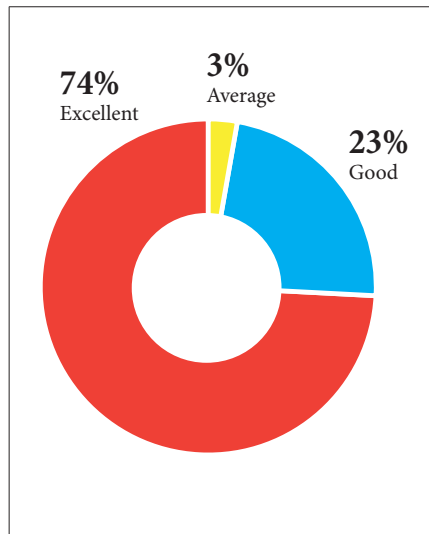
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KENYA OVERALL EVALUATION

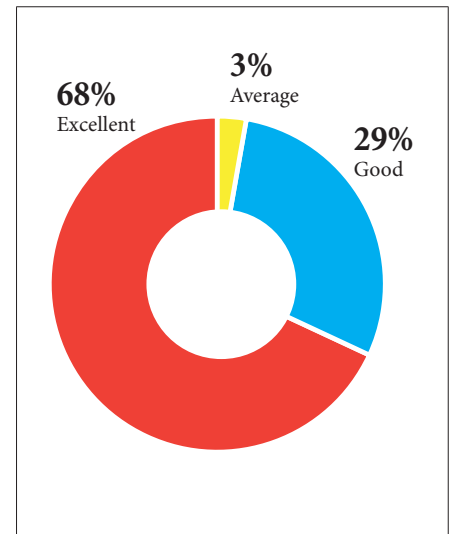
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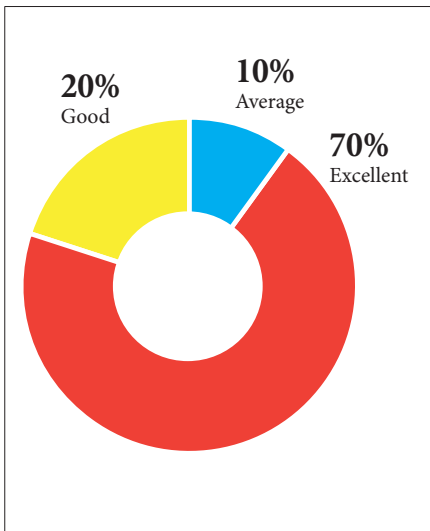
Venue & Facilities



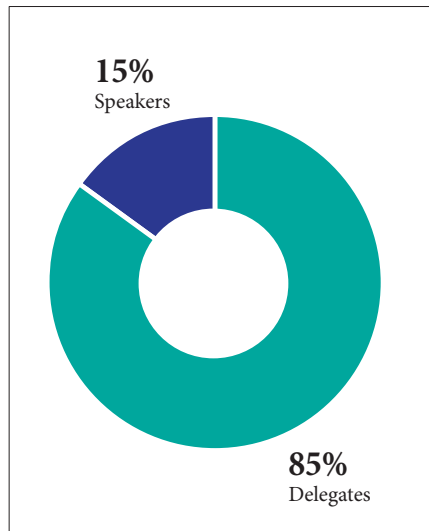
Overall Evaluation of the Event



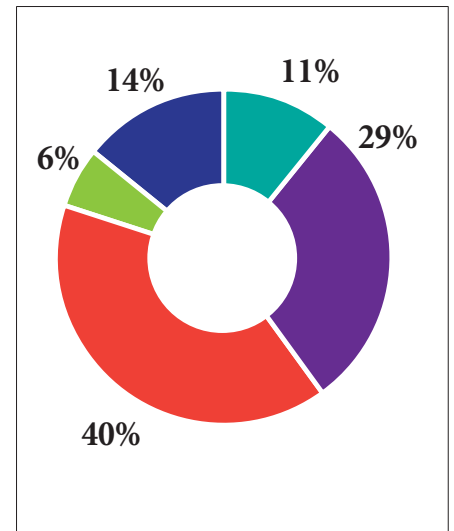
Overall Evaluation of the Speakers



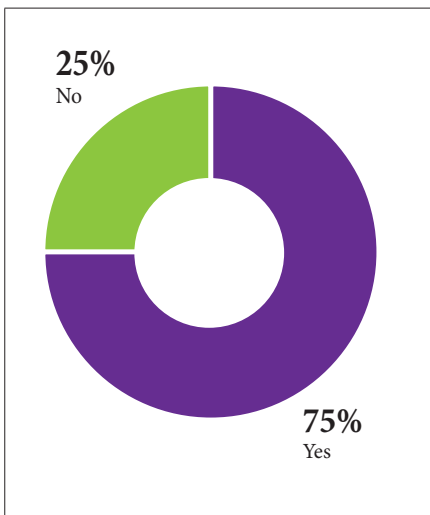
Delegate Breakdown



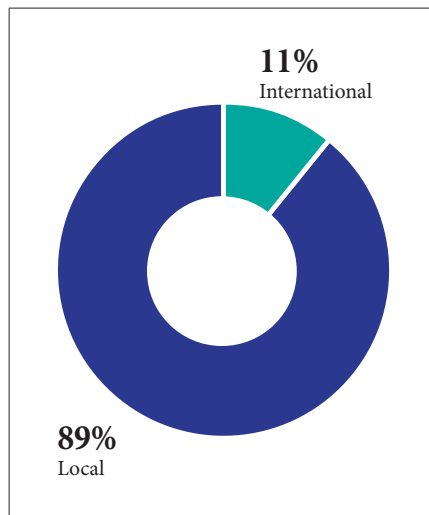
Delegate Job Title Breakdown



Delegates Who Would Like to Attend IFN Kenya Forum 2020



Delegate Breakdown (International & Local)



Delegate Job Title	No
Board Level Management	39
Senior Management	29
Management	11
Executive	14
Others	6
Total	99

Keynote Address



CAS COOVADIA — Managing Director, The Banking Association of South Africa



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Islamic Asset Management



Outlook for Treasury and Liquidity Products



Project Finance and Capital-Raising: State of th...



Orisstage Interview : Paving the Way Forward for...



The New Environment for Shariah Compliant In...



Keynote Address



Session IV: Challenges to Mobilizing Islamic Fin...



Session III: How to Create an Enabling Environ...



Opportunities for Islamic Finance, Banking and Investment in Southern Africa

We discuss key ideas, issues and themes influencing Islamic finance, banking and investment in Southern Africa and beyond. What will offer opportunity and what will disrupt and what role will Islamic finance play in the development of financial inclusion and the achievement of the UN Sustainable Development Goals in Southern Africa? What is needed to grow regional Islamic capital markets, investment management, banking and Takaful, and what role is technology set to play?



**CLAIRE MATHESON
KIRTTON**

Partner, White & Case



**AMMAN
MUHAMMAD**

*CEO, FNB Islamic
Banking*



**MOHAMMAD
MOHSIN AHMED**

*Islamic Branch
Manager, HBZ Bank*



**MOHAMMED
AMEEN HASSEN**

*Head of Shariah
Banking, Standard
Bank*



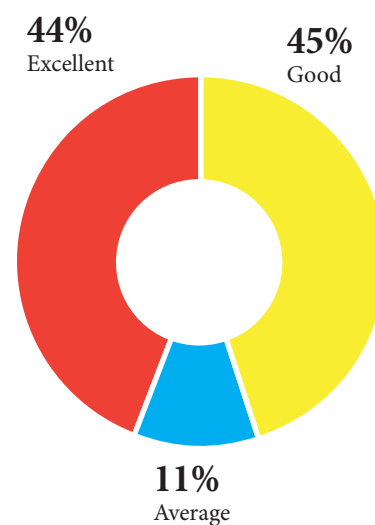
RIAZ LACHMAN

*Head, Absa Islamic
Banking*

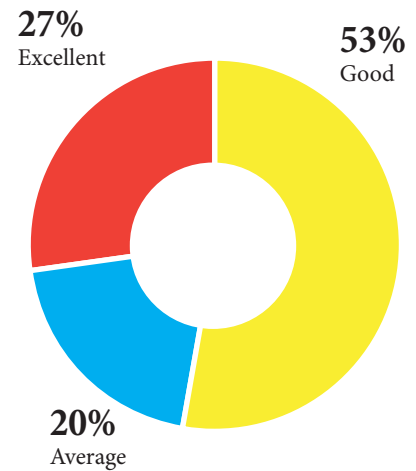


SHABIR CHOHAN

*CEO, Al Baraka Bank
– South Africa*



Why Islamic Banking and Why it makes Sense for South Africa



SHAYKH TAHA KARAAN — *Member, Shariah Supervisory Board, Absa Islamic Banking*

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Group Managing Editor
REDmoney Group
Email: Lauren.mcaughtry@redmoneygroup.com



Innovation in Islamic Banking and Finance: Benefiting the South African Consumer

We showcase recent achievements in development and innovation across a wide range of Islamic banking and finance activities and assess how end consumers have benefited from the availability of Islamic finance product offerings.



RIAZ LACHMAN

Head, Absa Islamic Banking



ASAD KAKA

Regional Head, Absa Islamic Banking



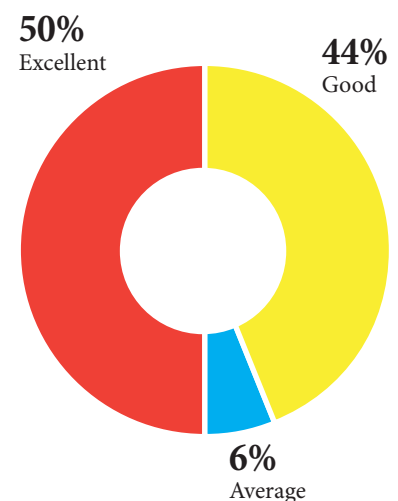
MOHAMMED AMEEN HASSEN

Head of Shariah Banking, Standard Bank



SHAHEEN SULIMAN

Head of Islamic Retail Banking, First National Bank





Corporate Financing, Capital-Raising and Asset Management in South Africa: Opportunities for Islamic and Responsible Finance

Through a panel of leading advisors and investment managers, we discuss the prospects for domestic and regional capital markets. What structures and asset classes will find favor with issuers and investors and where does Islamic finance fit in? What challenges still exist within regional taxation and regulatory frameworks for Islamic capital market and asset management products and how can these be addressed? Five years after the maiden South African US\$500 million sovereign issuance, what do Sukuk offer Southern African sovereign, multilateral and supranational issuers? Finally, what are the opportunities for Islamic and ethical finance to fund and cooperate with sustainable and responsible projects in key sectors such as energy, education, healthcare and agriculture?



AMMAN MUHAMMAD

CEO, FNB Islamic Banking



AHSAN ALI

Head of Islamic Origination, Standard Chartered Bank



ABDULLAH AMEED

Financial Director, Al Baraka Bank – South Africa



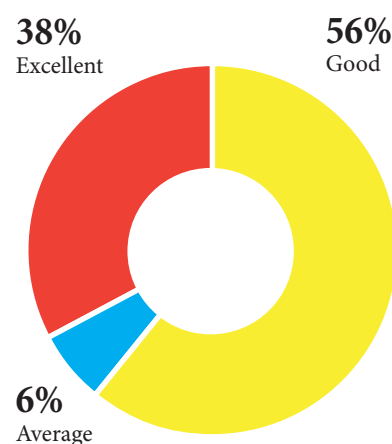
ASEEF HASSIM

CFO, FNB Islamic Banking

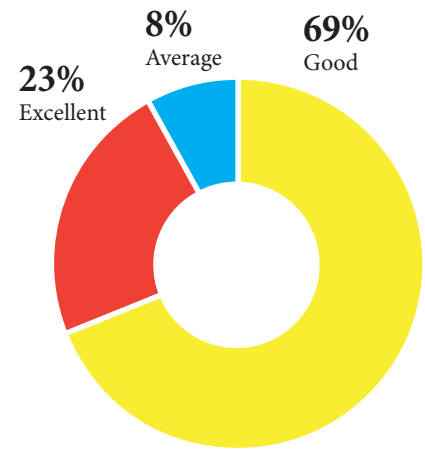


EBRAHIM TOOTLA

Head of Shariah ALM/TCM, Standard Bank



Presentation: Market Conduct and Prudential Regulation — the South African Islamic Financial Services Industry and the Implementation of Twin Peaks



KERSHIA SINGH — Head of Market, Customer and Inclusion Research, Financial Sector Conduct Authority



Learning the lessons from 2008 Global Financial Crisis

- Key reforms led by G20 and co-ordinated by Financial Stability Board
 - More intrusive, intensive and effective supervision, particularly of SIFIs
 - Making derivatives market more transparent
 - Aligning incentives better, including remuneration incentives in the banking sector
 - Better sharing of info between home and host regulators from different countries
 - Improving resolution mechanisms, and forcing living wills
 - Growing recognition of need to deal with market conduct practices (eg preventing LIBOR and forex benchmark rigging, better market conduct practices)
- Cabinet concurred in 2011 and again on 19 November 2014 that **there is a need for more intrusive and intensive financial regulatory system in line with international lessons after GFC**
 - Financial sector is global in nature, but regulated nationally. Need international standards, which are legislated and regulated nationally
 - Dealing with Systemically Important Financial Institutions (SIFIs) to end 'Too Big To Fail'
 - Regulating shadow banks, over-the-counter derivatives, and manipulation of key indices

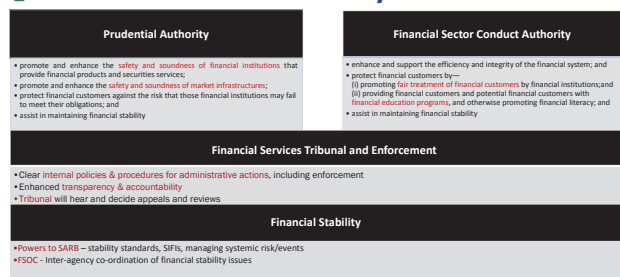
What is the Twin Peaks system?

- **ENHANCED OVERSIGHT OF PRUDENTIAL RISK**
 - What is prudential risk?
 - What changes under Twin Peaks:
 - Prudential regulator a unit within the SARB – called the **Prudential Authority**
 - Headed by deputy governor
 - Previous FSB shifted insurance prudential regulators to the PA
- **ENHANCED OVERSIGHT OF CONDUCT RISK**
 - What is conduct risk?
 - What changes under Twin Peaks:
 - Creation of a new Financial Sector Conduct Authority (FSCA) with a dedicated focus on conduct of business and market integrity, spanning across the financial sector
- **ENHANCED OVERSIGHT OF SYSTEMIC STABILITY**
 - What is systemic stability and what can place it at risk?
 - What changes under Twin Peaks:
 - SARB responsible for overseeing financial stability, in accordance with a framework agreed with the Min of Finance
 - An advisory body of regulators chaired by the Governor (FSOC) will advise the Governor and facilitate co-ordination

Regulatory challenges within SA

- Within SA, there are **too many regulators** involved with the financial sector
- Most financial firms are regulated by a number of financial regulators
 - Major banks in SA were regulated by SARB, FSB, FIC, NCR. This is because most banking groups do banking, credit, insurance, asset management etc
 - But each "activity" like deposit taking, lending, insurance, investment management regulated separately, each with own law → fragmentation means unlevel playing field, silos, gaps, regulatory coordination compromised
 - Nature of regulation has not kept pace with dynamic operation of financial sector
- **Need for regulators to co-ordinate** and ensure that they do not contradict or work against each other
- How do we **prevent regulatory (forum) shopping**?
- **Tick box approach** to regulation – poor outcomes even if letter of law is followed

What is the Twin Peaks system?



Goals of the Twin Peaks reforms

- Increased regulatory coverage, minimising potential for regulatory gaps (can designate new products and services in financial sector)
- Dedicated and equal emphasis on monitoring stability, prudential and conduct risks in financial sector
- Enhanced oversight of micro-prudential regulation, special focus on conglomerates
- Increased focus on outcomes, especially fair customer treatment
- More efficient use of supervisory capacity, strengthen risk-based approach. Empowered with tools to fulfill mandate (e.g. standard setting)
- Strong and swift action for contraventions
- Regulatory laws that are complete, harmonised, integrated, proportionate

Improved market conduct in South Africa

- A crucial driver of the Twin Peaks reform is the need for stronger market conduct regulation, so that the financial sector produces better customer outcomes and treats customers more fairly.
- The 2014 discussion document "Treating Customers Fairly in the Financial Sector: A Draft Market Conduct Framework for South Africa" noted that creating a new market conduct regulator would not be sufficient to improve customer outcomes:
 - The number of different financial sector laws causes fragmentation in regulatory requirements, regulatory arbitrage, a silo approach to regulation, and a compliance-focused, tick-box regulatory focus. This has contributed to persistent poor customer outcomes in the financial sector, in some instances even while the letter of the law is followed.
 - The legislative environment is also not all-encompassing (e.g. banking conduct not covered) and had not kept pace with the dynamic and increasingly interconnected operation of the financial sector in South Africa
- The document proposed creating a single law for market conduct regulation of all financial institutions – the Conduct of Financial Institutions Act. This law would provide for a consistent, activity-based and proportionate approach to conduct regulation, ensuring proper customer outcomes

COFI Bill Principles (cont)

- Supportive of transformation:** Financial institutions will be required to have policies in place to comply with the B-BBEE Code, and the supervision of institutions' implementation of policies in that regard will be undertaken by the FSCA
- Supportive of inclusion:** The protection of customers in the financial sector, and meaningful financial inclusion are mutually reinforcing objectives. An explicit objective of the Bill is to support financial inclusion
- Supportive of competition and innovation:** The Bill will allow for different licensing and supervisory requirements to be applied to different types of companies, meaning that smaller/new entrants that pose less risk will not be required to bear similar compliance burdens as larger and more complex businesses. Proportionate implementation of the regulatory and supervisory framework will encourage level playing fields, innovation and competition.

The FSCA's new approach

The COFI Bill should be read in the context of FSCA's new regulatory and supervisory approach (set out in its Regulatory Strategy):

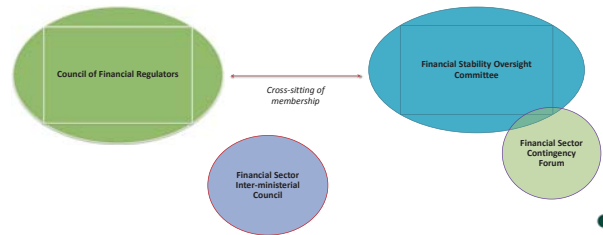
- Adopting a set of guiding principles including (among others) being pre-emptive, proactive, risk-based, proportional, intensive, intrusive, transparent, and outcomes-focused
- Embedding TCF outcomes in regulatory and supervisory frameworks
- Outcomes-focused regulation entails developing conduct standards that combine principles and rules in a way best designed to achieve desired outcomes – not relying only on rules and "box ticking"
- Moving from an "industry silo" structure to an activity-based structure
- Building capacity for new functions – e.g. overseeing banks, payments, aspects of credit, conglomerates, etc.
- Using the new FSR Act toolkit to strengthen regulatory, supervisory and enforcement processes – including customer redress

Particular considerations for Islamic finance activities

Prudential requirements

- Governance – in collaboration with FSCA
- Risk management
 - Credit risk
 - Operational risk
 - Market risk, Liquidity risk insofar as the bank engages in those activities
- Capital requirements as per Banks Act (Basel)
- Resolution and orderly exit from market

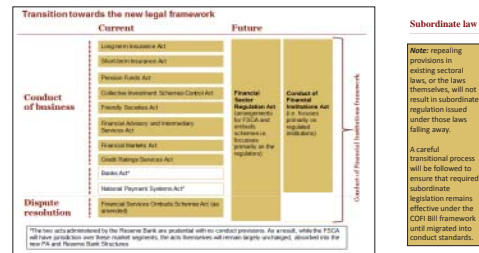
Better co-operation and co-ordination between financial sector regulators



COFI Bill Principles

- The COFI Bill is designed to be:
 - Activity-based:** The Bill shifts away from institutional to activity based regulation. Licensing schedule sets out financial activities requiring license. Same regulation will apply to similar activities, regardless of the institution performing the activity.
 - Principles and outcomes focused:** Provisions have been drafted setting principle requirements in law; will allow regulator to monitor and enforce the achievement of outcomes rather than compliance with the letter of the law
 - Risk-based and proportionate:** Proportionality will affect the regulator's supervisory approach, the standards it sets, and the enforcement action it takes. Chapter 1 of the COFI Bill sets out guidelines for what the FSCA should consider in applying a proportionate approach

Proposed revised legal landscape



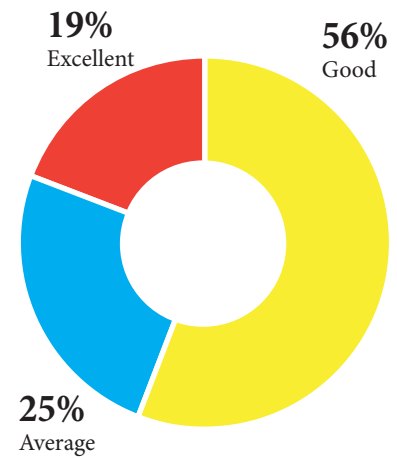
Particular considerations for Islamic finance activities

Market Conduct

- FSCA engagement with banks as part of holistic conduct mandate
 - Draft bank conduct standard out for comment
- Shift toward activity-based approach under the COFI Bill framework
 - What does this mean for Islamic finance activities?
 - Careful consideration of existing requirements (including outside of financial sector)
- Joint standards with PA on matters of joint relevance – in particular governance requirements

THANK YOU

Recent Developments in International Islamic Financing and Sukuk Markets



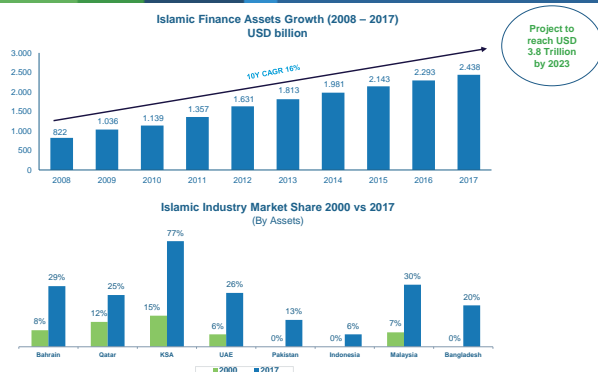
AHSAN ALI — Head of Islamic Origination, Standard Chartered Bank



International Islamic Financing and Sukuk Market

June 2019

Global Islamic Finance Market – Size & Growth



*Source: Islamic Financial Services Industry Stability Report 2018
These predictions are from: Saudi Arabia, the UAE, Malaysia, Kuwait, Qatar, Turkey, Bangladesh, Indonesia and Bahrain
Thomson Reuters, Islamic Finance Development Report 2018

Islamic Banking & Sukuk Market



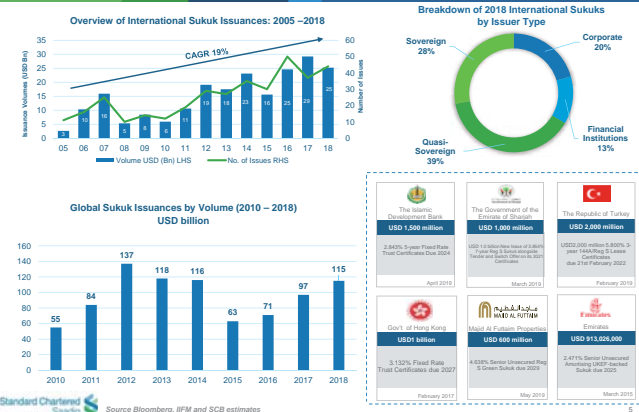
*Source: Islamic Financial Services Industry Stability Report 2018
These predictions are from: Saudi Arabia, the UAE, Malaysia, Kuwait, Qatar, Turkey, Bangladesh, Indonesia and Bahrain
Thomson Reuters, Islamic Finance Development Report 2018

Global Islamic Finance - Growth Drivers



Sukuk Market Update

The Sukuk industry remains one of the main components of the Islamic Finance system

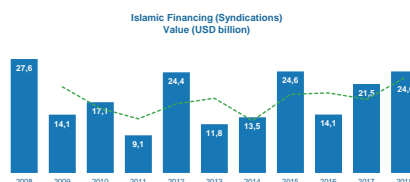


Recent Trends in the Sukuk Market

Driven mainly by the opportunity of tapping into new pools of funds, the past few years have seen a major breakout in the Sukuk market



Islamic Financing and Syndications Market



- Tap additional liquidity pool / new source of capital
- Dual tranche solution: can also be arranged side by side with a conventional tranche
- Structured Solutions possible such as, Project & Infrastructure financing, Shipping and Aviation, Export-Credit Agency, and Multilateral Development Banks guaranteed structures.
- Rating Agencies, Advisors, credit insurance companies, ECAs, MDBs and Legal firms have all grown familiar and comfortable with Islamic structures

Thank You



Regulatory, Taxation Issues and Shariah Governance Frameworks for Islamic Banks in South Africa: Challenges and Solutions



SHABIR CHOHAN

*CEO, Al Baraka Bank
– South Africa*



AHMED SULIMAN

*Shariah Advisor, FNB
Islamic Banking*



**MUFTI SHAFIQUE
JAKHURA**

*Member, Shariah
Supervisory Board
member, Al Baraka
Bank – South Africa*



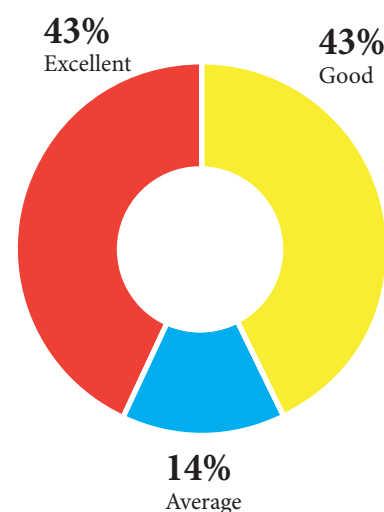
**YASMEEN
SULIMAN**

*Executive, Tax,
Bowmans*



YUSUF SULIMAN

*Head, Shariah
Advisory, Standard
Bank*



Key Takeaways:

While there have been notable achievements in the last decade in terms of South Africa passing specific tax legislation for certain Islamic banking products, there are a few problematic issues that still need to be addressed by the National Treasury — examples are the securities transfer tax on equity Murabahah transactions and widening the definition and application of Sukuk. However, it seems that momentum has been lost at the National Treasury to address these issues. A collective effort by Islamic banks (potentially through the Islamic banking sub committee of the Banking Association) is required to lobby the National Treasury to make the necessary changes to correct problematic issues, and consider additional legislation for new Islamic banking products.

*Yasmeen Suliman
Executive, Tax, Bowmans*

IFN AFRICAN REPORT 2019
SOUTH AFRICA POST-FORUM REPORT

Name	Company Name
ABDULLAH AMEED	Al Baraka Bank – South Africa
AHMED SULIMAN	FNB Islamic Banking
AHSAN ALI	Standard Chartered Bank
AMMAN MUHAMMAD	FNB Islamic Banking
ASAD KAKA	Absa Islamic Banking
ASEEF HASSIM	FNB Islamic Banking
CAS COOVADIA	The Banking Association Of South Africa
CLAIRE MATHESON KIRTON	White & Case
EBRAHIM TOOTLA	Standard Bank
KERSHIA SINGH	Financial Sector Conduct Authority
MOHAMMAD MOHSIN AHMED	HBZ Bank
MOHAMMED AMEEN HASSEN	Standard Bank
MUFTI SHAFIQUE JAKHURA	Al Baraka Bank, South Africa
RIAZ LACHMAN	Absa Islamic Banking
SHABIR CHOHAN	Al Baraka Bank, South Africa
SHAHEEN SULIMAN	First National Bank
YASMEEN SULIMAN	Bowmans
YUSUF SULIMAN	Standard Bank

A.Parker & Associates

ABL

ABSA

Absa Islamic Banking

Actioncoach South Africa

Adamjee Group

Adenco Constructions

Afripeak

Airport Meats

AK Sungay Property

Al ASR

Al Baraka Bank

Ammanah IFS

Bowmans

Bramafra Import Export

Build It

Cape Peninsula University

Eiger

Farm Fresh

First Impressions

FNB Islamic Banking

FNB Private Wealth

FSCA

GAIA

Habib Overseas Bank

HBZ Bank

Hyundai Louis Trichardt

IMA Media

Imam Development Project

Kagiso Asset Management

Kamaldien Jewellers

LA Sondag Investments

Lootah Capital

Mak Attorneys

MJC

Mojaff Financial Services

Momar Capital

Muslim Views

Narker And Associates

Nyz Afripeak

Old Mutual Investment Group

Old Mutual Wealth

Oyamanabo Enterprise

Personal Finance

SAB&T

Safricatours

Sancon

SB Connect, South Africa

Shireen Ahmed Kagee Attorneys

Sinelite

SMF Distributors

Spice Mecca

Standard Bank

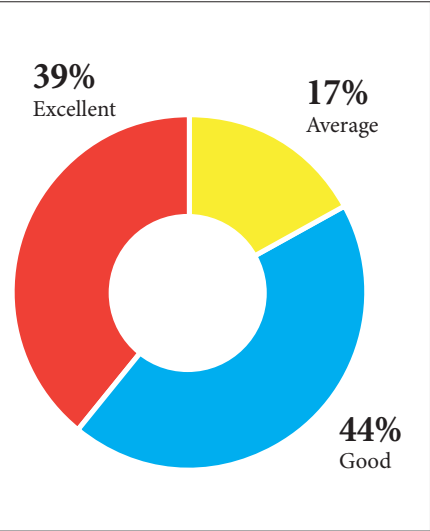
Standard Chartered Bank

The Muslim Judicial Council

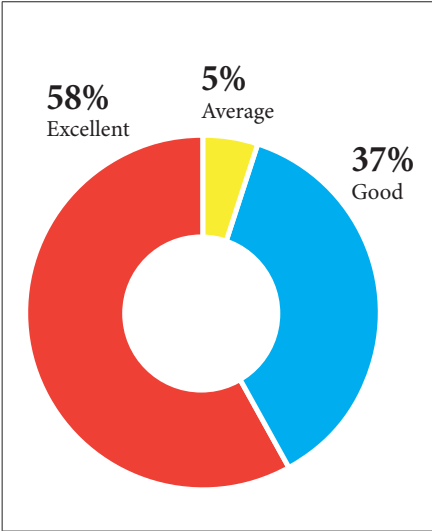
White & Case

Zemcor Marketing

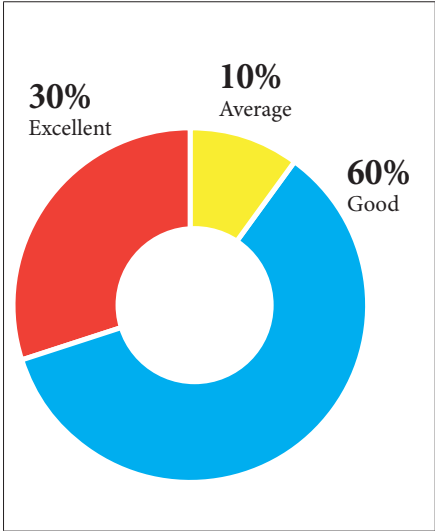
Pre-event Contact



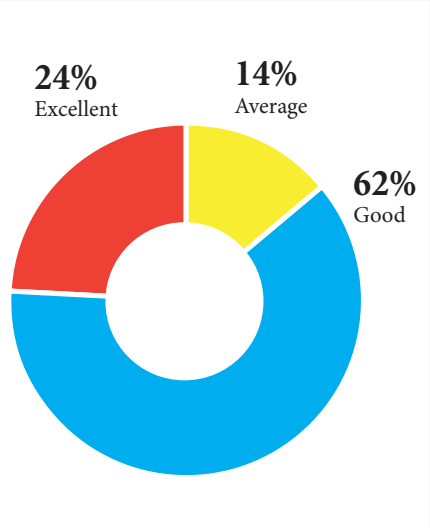
Venue & Facilities



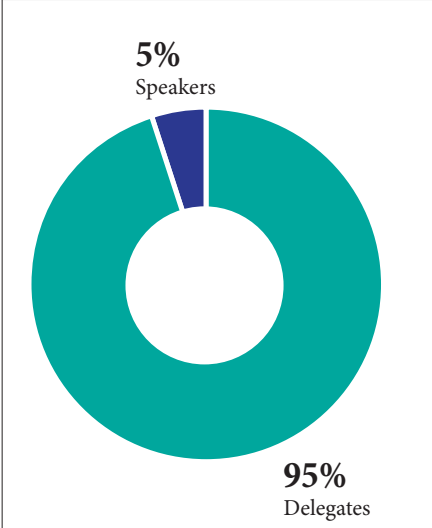
Overall Evaluation of the Event



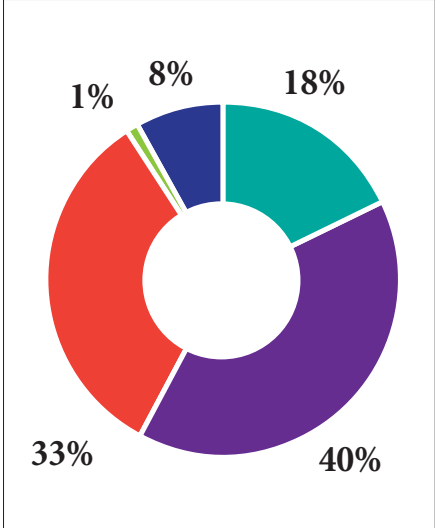
Overall Evaluation of the Speakers



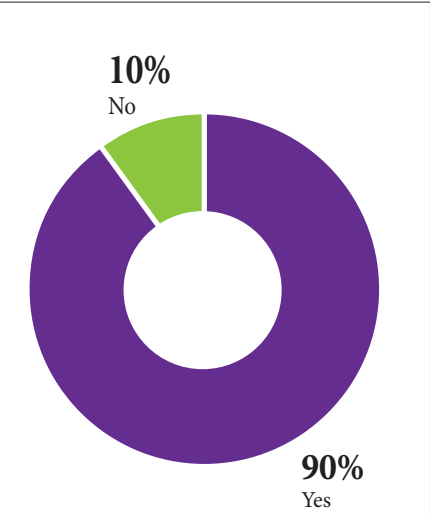
Delegate Breakdown



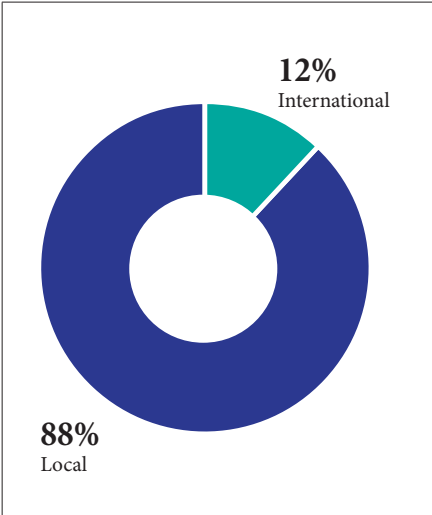
Delegate Job Title Breakdown



Delegates Who Would Like to Attend IFN South Africa Forum 2020



Delegate Breakdown (International & Local)



Delegate Job Title	No
Board Level Management	49
Senior Management	59
Management	26
Executive	11
Others	2
Total	147

"A big thank you for all the effort you put into this conference. Alhamdulillah we are getting very positive feedback. This initial conference has provided great perspectives."

*Amman Muhammad
CEO, FNB Islamic Banking*



"We attended the Kenya and South African legs of the IFN African Roadshow and found both to be well attended and organized; this was especially the case in Cape Town where the quality of speakers and discussion was very high."

*Phil Attwood
Commodity Trader, Eiger Trading Advisors*

"Thank you for putting together a successful IFN South Africa 2019!"

*Moulana Yusuf Jeena
Shariah Advisor, Albaraka Bank*



"Many thanks to Andrew Tebbutt and the REDmoney team on delivering an exceptional event in South Africa. The agenda covered critical issues and challenges facing Islamic banking in South Africa, with possible solutions. The various speakers and panel participants were well versed within their respective fields. Most importantly, the networking among all invited guests was invaluable. We look forward to the follow-up event in 2020."

*Nazeer Cassim I
Senior Manager, Islamic Banking Gauteng
Corporate Office, HBZ Bank*



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