

the 6th WIEF

GEARING FOR ECONOMIC RESURGENCE

The 6th WIEF, bearing the theme “Gearing for Economic Resurgence” was a timely Forum that addressed the prevailing mood of the global business community for change and progress after the financial crisis. The sessions showcased the Muslim World’s key industries and topics were discussed by main business players and industry experts, giving delegates an invaluable in-depth understanding of the issues and solutions facing businesses in this part of the world.

Kuala Lumpur once again played host to this prestigious event, which was attended by seven Heads of State & Government, 120 distinguished speakers, and a record 2567 delegates from 67 countries.

KUALA LUMPUR, MALAYSIA

18 - 20 MAY 2010

Hosted by



Government of Malaysia

the 6th WIEF

Opening Ceremony of the 6TH WORLD ISLAMIC ECONOMIC FORUM

BY THE HON. DATO' SRI MOHD NAJIB BIN TUN ABDUL RAZAK
PRIME MINISTER OF MALAYSIA
KUALA LUMPUR, MALAYSIA
19





Table of Contents

CHAIRMAN'S FOREWORD	9
PRE-FORUM	
Joint Opening Ceremony	13
WIEF BUSINESSWOMEN FORUM	
Plenary 1: CEO Exchange - Making a Difference: Women and Meaning of Success	25
Plenary 2: Opportunity in Crisis: Identifying New Dynamics	37
Plenary 3: Promoting Professionalism & Talent Through Training and Education	41
Plenary 4: Breaking Through in Business: Different Needs, Varying Challenges	49
Plenary 5: Industries in Focus: Food, Education, Tourism, Healthcare	53
WIEF YOUNG LEADERS FORUM	
Plenary 1: Empowering Leaders of Tomorrow: Connect and Collaborate	61
Plenary 2: Going Green: Tackling the New Blue	67
Plenary 3: Taking the Stairs: Driving the Spirit of Entrepreneurship and Leadership	77
Plenary 4: Identity in the 21 st Century: Investing in the Future of Creative Arts	85
Special Luncheon Address by Hon. Datin Paduka Seri Rosmah Mansor	91
FORUM DAY 1	
Official Opening Ceremony	99
Plenary 1: Leadership Panel: Leadership Challenges for the New Era	111
Plenary 2: The Business of Innovation: Wiring for New Needs	117
Plenary 3: Countries in Focus A - Business, Trade & Investment Opportunities	125
Plenary 3: Countries in Focus B - Business, Trade & Investment Opportunities	131

FORUM DAY 2

Parallel Session 1: Tapping Tourism Potentials: Putting Resources to Work	141
Parallel Session 2: Integrating Logistics: Building Competitiveness in Freight and Transport	149
Parallel Session 3: Empowering SMEs: Turning Size into a Comparative Advantage	157
Parallel Session 4: Tackling a Thirsty World: The Business Case for Water	165
Parallel Session 5: Islamic Branding: Myth or Reality?	173
Parallel Session 6: Connecting Minds: Leveraging Technology for Training and Education	181
Parallel Session 7: Ethics in Business: Balancing Bottom Line and Good Governance	187
Parallel Session 8: Islamic Banking and Finance: Riding the Wave of Economic Transformation	193
Special Luncheon Address by HRH Prince Andrew, Duke of York	207
Plenary 4: Global CEO Panel: The New Game Plan: Thriving in a Post-Crisis World	211
Special Leaders Dialogue on Climate Change: Putting a Brake on Climate Change - Assuring Earth’s Future	221
Concluding Session	227
6 th WIEF Kuala Lumpur Declaration	231
Summary of Memorandum of Agreements (MOAs)	234

EXHIBITION & MARKETPLACE

6 th WIEF Exhibition	240
The Marketplace of Creative Arts	244

PROGRAMMES

Pre-Forum Programmes	252
Main Forum Programmes	260

GALLERIES & ACKNOWLEDGEMENTS

People and Colours of the Forum	274
Permanent Secretariat in Action	280
WIEF International Advisory Panel Meeting	282
6 th WIEF Sponsors	286
6 th WIEF Partners	288
About WIEF Foundation	290
Acknowledgements	298





Chairman's Foreword

It gives me great pleasure to present the Forum Report of the 6th WIEF that was successfully held in Kuala Lumpur on 18-20 May 2010.

The 6th WIEF was the largest Forum ever held by the WIEF Foundation. It was attended by a total registered delegates of 2567 including seven Heads of State/Government, three former leaders, ten Ministers as well as key Government officials, businessmen, academics and representatives from the media and the NGOs with extensive coverage given by both international and local media networks.

The special focus given to a wide range of business-oriented issues during the Businesswomen Forum, the Young Leaders Forum and the Main Forum of the WIEF were very well received by the delegates. We were particularly happy to see the extensive networking activities that took place at the Business Matchmaking Lounge and the highly successful first-ever held Marketplace of Creative Arts during the course of the Forum.

On behalf of the WIEF Foundation, I would like to take this opportunity to record our special thanks and appreciation to the Honourable Dato' Sri Najib Tun Razak, Prime Minister of Malaysia and Patron of the WIEF Foundation and the Government of Malaysia for the counsel, assistance and cooperation extended to the Foundation in hosting the 6th WIEF. Our thanks also go to the members of the WIEF International Advisory Panel, Role Players, Sponsors, Partners, Supporting Organisations, Corporate Members and the WIEF Permanent Secretariat for their contribution, support and dedication in ensuring the success of the 6th WIEF.

It is my sincere hope that the 6th WIEF had been beneficial to all delegates and that this Forum Report would serve as a useful source of reference to those wishing to follow in greater detail the proceedings held at the Forum.

Finally, may I take this opportunity to welcome you again to our 7th WIEF to be held in Astana, Republic of Kazakhstan in 2011.

Tun Musa Hitam
Chairman
WIEF Foundation

Pre-Forum





Tan Sri Muhyiddin bin Haji Mohd Yassin,
Deputy Prime Minister of Malaysia.

Joint Opening Ceremony

DATO' SRI NAZIR TUN ABDUL RAZAK, CHAIRMAN OF WIEF YOUNG LEADERS NETWORK (WYN), welcomed the delegates to the 4th WIEF Young Leaders Network (WYN) Forum and expressed his gratitude to the Hon. Tan Sri Muhyiddin Yassin, Deputy Prime Minister of Malaysia for gracing the opening ceremony.

Nazir stated that the WYN has come a long way since the idea of a young leaders forum was first mooted in Islamabad in 2006. The WYN agenda has been to find ways to link and galvanise the young people of the Muslim community across the world. It has come up with several initiatives such as internships and scholarships, and these programmes gained momentum after the establishment of a permanent WYN secretariat in 2008.

The WYN internship programme has made good progress in 2009 – receiving over 200 applications from a large number of universities across the Muslim world e.g. the Air University in Pakistan, the Gadjah Mada University and the Agricultural University in Indonesia, the International Islamic University, Universiti Malaya and Universiti Teknologi Mara in Malaysia, and many others. 5 students from Indonesia, Nigeria, Pakistan, Somalia and Sri Lanka successfully underwent their placements in Al Ghurair Group of Dubai, Ethos Group and Unicorn International Bank of Malaysia in 2009; and the number of placements will continue to grow in the years ahead. For 2010, WYN secured open offers from prominent global names such as the Coca Cola Company, Rio Tinto Alcan, Sime Darby etc. CIMB, too, has committed to receive interns in its Indonesian operations this year.

The WYN Groom a Leader scholarship programme is also gaining traction - managing to secure one scholarship each from Telekom Malaysia as well as CIMB, since the formal inception of the programme. CIMB's scholar, Mohamad Karim, a South African, was present at the Forum and had just completed an MBA at the Judge Business School in Cambridge. He is now working in CIMB Standard's infrastructure fund management company. CIMB will offer another MBA scholarship for 2010/11, and has received great interest from other global corporations to sponsor more students.



Dato' Sri Nazir Razak, Chairman of the WIEF Young Leaders Network.

The internship and scholarship programmes are not just about placing bright people in promising positions; they are also about facilitating the movement of young Muslims across the world, and the building of linkages and networks which are associated with the intermigration of people and knowledge.

As these programmes grow in prominence over the next few years, it is hoped that they will contribute towards establishing a resource pool of global talents who will catalyse the greater interconnectivity of the Muslim world; and contribute to the community's progress in general.

For 2010, WYN's new initiative is the Marketplace of Creative Arts, where the WIEF, through the WYN, engaged the creative community and help them better profile their work to the constituents of the WIEF.

Nazir also spoke about the broken state of the world's financial architecture, and proposed that the global community draw from the principles of Islamic finance as it collectively searches for a new way forward. Furthermore, he mentioned the necessity for the Muslim world to assert itself in the face of the new world economic order. The events over the past year and the on-going troubles in the Eurozone have only reaffirmed the view that the rise of Asia is the defining Mega-trend of the 21st century. Where then, is the Muslim community's place in this rebalancing of economic power? From a historical perspective, during the Golden Age of Islamic civilisation, the Muslim world dominated global trade through its control of land and naval channels between the East and West. Of course, its convenient geographical position meant that it could employ its armada and its armies to great effect in maintaining its grip over this "gateway".

In the globalised world today, the importance of geographical position has waned but the power of

cultural and religious linkages remain undiminished. There are sizeable Muslim populations in the high growth economies of China, India, Indonesia, Malaysia and the GCC. We are clearly well-connected to the right places. The challenge is to employ this network to its fullest potential. The evidence suggests that we are some way from achieving this. Intra-OIC trade today stands at a mere 17% of its combined total trade; in comparison with about 25% for intra-ASEAN trade, about 50% for intra-NAFTA trade and about 65% for intra-EU trade. And it is apparent that a substantial amount of savings from the Muslim World is still channelled to Wall Street and other Western financial centres, even if they are ultimately invested in another Muslim country. In short, Muslims must do more business with each other.

Nazir further reminded the audience that the Golden Age of Islam was underpinned not only by political and religious unification, but also openness to external concepts and influences. Islamic civilisation at its height flourished under a confluence of knowledge and culture where the wisdom of China and India mingled with that of Persia, Rome and ancient Greece. It was a time where enterprising Arabs borrowed Chinese paper-making technology and improved on it to create the world's first public lending libraries. Islamic mathematicians developed Algebra (itself an Arabic word) to find solutions to the Law of Inheritance; and greatly advanced Greek-derived trigonometry to calculate lunar motion to determine holy days in the Islamic calendar.

He went on to say that Asia and the Muslim World were left to be bystanders during the rise of the West over the past 200 years. Perhaps it was the result of a flawed preference for inward looking policies, or the lack of cultural and religious linkages, or perhaps just reluctance to adapt and change with the times. Irrespective of what the reasons are, there is today an inescapable shift of power back towards the East, and this time we cannot be content with a peripheral role. The Muslim community undoubtedly has the basis to collectively gain from the rise of Asia. To this end, he said, we must be able to understand and act upon our position of

relative strength. There must be greater drive to engage, trade and invest in the constituents of the Muslim world. Equally important, he continued, we must work towards greater mutual recognition and collaboration with non-Muslim communities of Asia, between people and businesses, in order to benefit from the new world order.

He concluded by expressing his hopes that this Forum will serve as a platform to mobilise young Muslim leaders from across the world, to deliberate our challenges and opportunities in this era of transformation. Finally, he shared with the audience that the most exciting thing of all this year was the achievement of a record number of attendees – with over 500 delegates, and a record number of nations represented – 21 in all.

DATO' DR. NORRAESAH MOHAMAD, CHAIRMAN OF WIEF BUSINESSWOMEN NETWORK (WBN), recounted the events after the 5th WIEF Forum in Jakarta, in which the world plunged into an economic and financial black hole; some suffered more severely than others.

Many commentators have opined that perhaps if the female demographic was better presented in the companies at the forefront of the economic crisis, maybe the economic situation could have been better managed and contained.

The crisis therefore marshals the evidence of a historic shift; a growing trend in which new rules of engagement become imperatives. Women are now acknowledged to be better equipped at playing the game of reasonable risk. Surveys conducted over 19 years of Fortune 500 companies show that those with the best record of employing and promoting women, outperformed their competition by 41% to 116%. That is an eye-opener indeed; women's business style is no longer considered soft but valuable. Women's right-brain skills, such as inclusiveness, relationship building, focus on compromise and aversion to huge risks are seen as necessary for a profitable and sustainable business. Diversity is the new currency, and technology,



Dato' Dr. Norraesah, Chairman of the WIEF Businesswomen Network.

innovation and creativity drive the world economy now. Since more women than men are earning degrees, the fact of the matter is that employing and promoting women becomes not only inevitable but good business practice.

Norraesah stated that women now control 85% of consumer spending and consumption decision. They are buying more cars than men do and know who should be designing the cars we like. She further stressed on the fact that women have a huge power in the workplace and in the marketplace, and if statistics are to be believed, this is growing exponentially.

Companies thus have to retool their businesses in order to accommodate the shifting and inevitable trend and welcome women as full partners and respond to their needs in the workplace; the rules are slowly changing at the workplace.

Norraesah impressed upon women to recognize their power and potential in the workplace and in the marketplace. If 85% of consumers are women, then women should thrive on the fact that they control the economy and that they know exactly what consumers want. Women need to take full responsibility of their lives and thrive on the gift choices and opportunities that they have before them.

She exclaimed the ambition of the WBN, in its objective to play an effective role in promoting economic and self-sufficiency and independence among women. WBN by its name and designation, crowns business and entrepreneurship as important gateways and platform to achieve this objective. Hence, one of the practical approaches the WBN follows is to offer training programs for women – focusing on financial management and marketing strategies that also incorporate the important elements of branding and packaging.

As a modest start, the WBN held a 2-week workshop in January 2010, under the WIEF-UiTM International Centre, welcoming 28 participants from 13 countries. 20 of those participants were successful entrepreneurs with business operations ranging from SMEs to large entities in sectors such as consulting, tourism and hospitality, oil and gas, and textiles. The program was a success, and it is hoped that it can be conducted on an annual basis. There have even been calls to replicate the WBN training program in other countries so that more women can gain from this effort.

Norraesah also commented that the WBN is considering two different sets of training modules for each alternating year: the first for startups – designed to guide young

WIEF gets the right priority because there is absolutely no denial that the only way to ensure a better world is to concentrate on the women and youth of the world.

entrepreneurs to move from ideas to preparation to realization; and the second - designed for existing businesswomen who wish to sharpen their management skills and enhance their competitive advantage through technology, innovation, and to widen their markets and develop new knowledge maps. Such programs will serve to provide a strong trust ecosystem among women.

She concluded by applauding the speakers, moderators and guests for taking time off from their busy schedules to be at the Forum and sharing their abundant knowledge and experience.

HON. TUN MUSA HITAM, CHAIRMAN OF WIEF FOUNDATION, began by expressing gratitude to all the delegates, for keeping the WIEF tradition and doing a commendable job to gather and discuss issues that relate to matters of direct interest to women and the youth. Personally, Tun Musa is proud that WIEF get its priorities right; it does so because the Forum is unique and without fail every year since WIEF formation, the right target audience is attracted, those who are truly committed to contributing to the world at large. Usually at international conferences, the privileges and advantages of such congregations go to the older crowds and elitist



Hon. Tun Musa Hitam, Chairman of the WIEF Foundation.



Attendance at the Joint Opening Ceremony of the WIEF Businesswomen and Young Leaders Forum.

members of the international society. These people, most of whom occupy high positions of power, have dialogue, exchange views, and influence changes to be carried out in the world. However, WIEF gets the right priority because there is absolutely no denial that the only way to ensure a better world is to concentrate on the women and youth of the world.

He reiterated that he values the youth and personally always makes sure that they are given opportunities in various types of activities - whether political, social, or economic. He was also emphatic in agreeing with the previous statements by Dr. Norraesah; and in his personal experience, most often than not, women are very dependable with their efficiency, trustworthiness and focus on the job at hand.

He acknowledged that we should persevere in the programs that we have started. Slowly, steadily, but surely, we should spread it wider so it becomes a global exercise. As far as Malaysia is concerned, it is easier

to carry out the projects that have been started. His challenge to all was this: of the projects that have been done successfully, how can we ensure that different countries take these models and look at them within their own context and globalise them?

The WIEF brand is gaining wider recognition and being recognized as a unique organization that calls itself Islamic yet accommodates, encourages and partners itself with others who want to be involved in local and global businesses that foster progress.

He further encouraged the delegates to look for these possibilities and opportunities during the Forums and think about how they can implement and spread these ideas. He also urged the delegates to find ways to ensure that more of the youth is given opportunities

to participate in the WYN scholarship and internship programs; and for more women to participate in the WBN workshops. Tun Musa concluded by wishing everyone the very best in their efforts during the Forum.

TAN SRI MUHYIDDIN BIN HJ. MOHD YASSIN, DEPUTY PRIME MINISTER OF MALAYSIA, began his keynote address by thanking the WIEF and commending the WIEF for giving its businesswomen and young leaders special recognition in the Forum. The Businesswomen and Young Leaders sessions represent a platform to promote trade and entrepreneurship through dialogue, networking and collaboration. In the last Forum, a total of USD 3.4 billion in business deals was signed between businessmen from different Muslim countries. He believes that the WIEF can serve as a platform to boost trade between the OIC member countries and help increase the intra-organisational trade to the 20% target that has been set.

The Deputy Prime Minister applauded the WIEF for introducing the Marketplace of Creative Arts as part of the Young Leaders Forum to enable young and contemporary artists to showcase their talents and share their professional experiences. He also took the opportunity to commend the WIEF for going beyond its original core functions of organizing forums, by undertaking capacity building programs and facilitating the provision of scholarships and internships to deserving applicants with the support of private corporations. This, he hopes, can be continued by the WIEF in order to help more young people and businesswomen to succeed in their ventures.

He went on to remark that the Muslim population is getting younger with around 65% being under 30 years of age; in less than a few decades they will assume positions of leadership in Muslim societies. He reminded the youth in the audience that as young leaders of today, they shoulder great responsibility in charting the future destiny of their countries in trade and business. Such a role should be well understood so that more contribution can be made to their countries, to the Ummah and the

world at large. Due to the rapid change that the world is currently undergoing, young leaders are reaping the benefits of technology and information; they are ready to harness the skills and knowledge required to generate new wealth for their respective countries. Business and trade knowledge can be easily accessed by using new technologies.

Access to financing has also expanded with the establishment of more financial institutions and new financial products. Governments are also more business-friendly as a way of improving the economy. Many young people are thus finding their place within the marketplace in various fields and many have done well and with the drive and vigor associated with young age; they can spur new ideas and enhance shareholder value.

He added that the phenomenon of 'brain-drain' especially from Muslim countries to the developed nations is increasingly affecting the competitiveness of Muslim countries. We, in the Muslim World, risk losing long term development and prosperity if this is not immediately addressed. In developed countries, immigration laws are designed to attract skilled workers from abroad especially intellectuals. Quite a vast number of intellectuals have migrated from the Muslim World to the Western world and contributed greatly to the development of those nations; and more are still going. A case in point, the UNDP estimated that India lost billions of dollars in the 1990s because of the migration of IT professionals to the US.

To reverse 'brain-drain' to 'brain-gain', he believes in the need to create the right ecosystem to stimulate creativity and put in place a fair reward system. It entails the establishment of a dynamic and progressive educational system that recognizes and supports different stages of intellectual growth and skilled development of young people, and allows them to excel in their chosen field. On top of all this should be an economic system that rewards the best and encourages fair competition.

Deep rooted values in religion that expound the spirit of honesty, hard work and entrepreneurship has led to the rise of great Islamic civilizations in the past.

Thus reviving the lost Islamic spirit of entrepreneurship will be the key to unlocking the economic potential of the Muslim World and this include an economic system that enables the women and the youth to excel and prosper in business.

He highlighted the fact that the existence of a fair economic system is not equal across the board; since in areas where there are conflicts in the Muslim World, women are struggling for fulfillment of their basic needs. Due to their dire situation, they are unable to

get economic support. He believes that the best way to get the most out of the women and the youth is to align them with their respective social aspirations. Known to be acutely sensitive towards the welfare and the principles of accountability; the women and the youth have great sustainable ideas to improve their societies. Perhaps a suitable avenue in which they can utilise these unique strengths is by embarking on social entrepreneurship.

The Social Entrepreneurship Model is increasingly popular in nations worldwide and it could be used to address a lot of pressing issues in developing countries. It will allow women and the youth to pursue business ventures of their choice based on their most preferred social aspirations. We will thus not only be able to channel this energy into the development of new industries, but also count on the improvement of existing industries because of the innovation that will surely follow.



A delegate listening intently to ideas mooted on stage.



Quran recital by Qariah Sharifah Khasif Fadzilah.

Another challenge faced by women and the youth is that it is much harder for social entrepreneurs to acquire funds. We should use this Forum to find means to cater to their funding needs and in the same event, we should implement a wider business mentoring and support system as well as training, and development programs. Looking forward, we should extend the Pre-Forum with the Main Forum into something larger over a longer period of days. As a public service project, it will create long-distance trust that transcends geographical barriers. The Deputy Prime Minister concluded his speech by once again commending the WIEF for creating the right synergy among the delegates.

Forum Day 1



Forum Day 1 Official Opening Ceremony

After the recitation of the Holy Qur'an, **HON. TUN MUSA HITAM, CHAIRMAN OF THE WORLD ISLAMIC ECONOMIC FORUM FOUNDATION**, welcomed all the delegates to this year's Forum which attracted a record 2567 delegates from 67 countries.

He said the WIEF represents the Muslim World, and in the WIEF, our business is business and we create a bridge to connect the different business communities together. He reiterated the fact that WIEF continues to give primary focus to two of the most important sectors in society that can ensure a better world namely, women and the youth. He believes that regardless of how one views the world, there is no doubt that these sectors have the potential mass and influence to determine the future survival of humanity.

HON. DATO' SRI NAJIB TUN ABDUL RAZAK, PRIME MINISTER OF MALAYSIA, AND PATRON OF WIEF FOUNDATION, in his opening Keynote Address, outlined the issues faced by the global community in a period of great uncertainty. Almost every corner of the globe is affected by climate change, environmental degradation and human tragedies, with natural disasters becoming more prevalent.



Hon. Dato' Sri Najib Tun Abdul Razak,
Prime Minister of Malaysia and Patron of
the WIEF Foundation.

Almost every corner of the globe is affected by climate change, environmental degradation and human tragedies, with natural disasters becoming more prevalent.



Hon. Tun Musa Hitam, Chairman of the WIEF Foundation and former Deputy Prime Minister of Malaysia.

He then touched on a few areas that are central to the collective efforts to build strong, sustainable economies and fair, just societies. He said although progress is being made in the different regions of the world, recovery is fragile so it is important for economies that want to succeed to act prudently, make wise decisions for the long-term and initiate reforms that will make them competitive in a new global economic order. He set out the principles of Malaysia's New Economic Model (NEM) which aims to:

- Use capital more effectively to increase productivity, stimulate innovation and enhance the skills of the Malaysian workforce.
- End an over-reliance on a few dominant sectors and encourage strength across many industries, particularly areas of high value growth such as technology, financial services and energy
- Build a merit-based education system to reward excellence and help develop skills that and the economy needs
- Rebalance the relationship between the private and public sectors and recognise the role of government to empower and enable wealth creation in the private sector across all groups and income levels
- Implement fiscal reforms that broaden the tax base, and gradually phase out broad-based subsidies that distort the market and lessen the country's competitiveness

He pointed out that one of the difficulties faced by Malaysia today concerns food and energy security. An overarching prerequisite before committing to economic resurgence is giving the utmost priority to food security to ensure an adequate supply of basic food is available to fellow Muslim countries facing difficulties attaining sufficient food especially after natural disasters.

One area of opportunity pointed out by the Prime Minister is the burgeoning Halal market with assets estimated to be worth more than USD 1 trillion. He said this bodes well for the development of various Halal hubs worldwide, as no single Halal hub can cater to the global needs of the Muslim Ummah. Linkages established between regional hubs to ensure coordination and standardisation of Halal products will achieve this positive development as these linkages would enable efficient sourcing and deployment of Halal products by donor countries and non-government organisations when Muslim communities face natural disasters.

He added that policy-making plays a central role in the green agenda. More alternative energy needs to be developed to address the growing requirements and prevent further degradation of the environment. In 2009, Malaysia established the Ministry of Energy, Green Technology and Water, dedicated to addressing environmental issues. At the policy level, a National Biotechnology Policy and a National Biofuel Policy was formulated to leverage the natural strengths of Malaysia. At the practical level, Malaysia has also introduced the Small Renewable Energy Programme such as the 'Suria 1000' which offers incentives for corporations to invest in green energy such as solar power. With the tremendous potential for the development of alternative energy sources, he proposed that a "Clean Energy Development Bank" be established to accelerate the development of clean energy-related industries for the benefit of developing OIC countries.

He also stated that Islamic Banking and Finance is the key to the future and now it the time to develop it further. He cited Malaysia as a country that has spent

30 years developing Islamic banking alongside the conventional banking system. He said in order to move Islamic banking further into the mainstream, an appropriate regulatory framework and an infrastructure and architecture to promote Islamic capital markets are respectively required. This elicits the economic empowerment of the Ummah by providing access to funding through sophisticated instruments from Islamic capital markets - thereby achieving the goal of stability.

He also said that there is a need to strengthen efforts in human resource development, especially in the education and training segment which are far from satisfactory. Investing in education is vital for any Muslim country to aspire to be a leader in any field. This requires talking less and doing more to provide educational opportunities for the children.

He also emphasised the importance of technology application in the realm of education. It would enable the construction of a global curriculum which would transform national classrooms into an international educational system, based on universal values. An approach called "values across the curriculum" can be adopted to manifest these values in all learning situations. Another way to develop educational infrastructure, support teacher training and academic research is by the establishment of Specialised Development Funds.

He said that although the issues that we are facing are daunting and somewhat seems unattainable, starting with small but sure steps can allow us to create an economic revolution in education that can ultimately have a huge impact in the intellectual development of the Muslim World. In line with the concept "Gearing for Economic Resurgence", he made a proposition for OIC countries to support and plan for an entire ecosystem designed to meet the specific needs of the Muslim World.

The Prime Minister concluded his speech by suggesting an annual OIC Economic Summit as a way of focusing on pressing economic issues and to expedite decisions

and actions on behalf of the Muslim World. He suggested that a dedicated, issue-oriented summit of this type would breathe new life and meaning into the OIC.

HIS MAJESTY SULTAN HASSANAL BOLKIAH, SULTAN OF BRUNEI DARUSSALAM, referred to the two most significant meetings in the first decade of the 21st century; namely the United Nations Millennium Summit in 2000 and the Special OIC Summit in Makkah in 2005. He reported that the plan of action set out during the Makkah Summit has united the 1.5 billion people from the various Muslim nations and communities to aspire to the same global objective. He sees the first 10 years of this century not in terms of crises but rather in terms of collaborations, new alliances, partnerships, and security. He believes that the WIEF has given inspiration and dynamic practical impetus to this century in the crucial area of modern international relations.

The Sultan believes that a serious concern for all Muslim in the 21st century is globalisation. Everyone interprets globalisation differently; some rejoice in it, while others regret it or even condemn it.

Even though this theme seems like a clear challenge to Muslims, he reminded everyone that Muslims have been globalised for nearly 1,500 years, hence should take part to the fullest in the one world they live in and strengthen the one faith they believe in rather than adjusting or adapting faith to a new set of realities. He pointed out that for resurgence to take place, Muslims must encourage partnership in the world and avoid being passive members in the international community.

He concluded by saying that the calls made by non-Muslims for commerce, trade, banking and finance to be fair, honest, ethical and moral have always been



HM Sultan Hassanali Bolkiah, Sultan of Brunei Darussalam.



H.E. Dr. Susilo Bambang Yudhoyono, President of the Republic of Indonesia.

Islam's values, principles and basic approach to business. Therefore, far more than any other product, these qualities can be Islam's major contribution to international business.

H.E. DR. SUSILO BAMBANG YUDHOYONO, PRESIDENT OF THE REPUBLIC OF INDONESIA, elaborated on the world economy and its capacity to withstand the worst effects and avoid the worst scenario of a meltdown during the global financial crisis. He said it was the result of early and vigorous countercyclical measures and steps to stimulate the real economy.

He referred to the global financial crisis as a loud wake-up call for everyone to address the economic imbalances between nations and within nations. The call compels us all to work harder, to achieve growth that is sustainable, inclusive and equitable, to ensure social and political stability. From crisis has come opportunities and the Indonesian President mentioned the reformation

of the international financial architecture which has resulted in the increased participation of nations in the decision-making processes of international institutions such as the Group of Twenty (G-20) Finance Ministers and Central Bank Governors. Echoing other speakers, he said Islamic values can serve as a basis to achieve a global framework that can save humankind from its own excesses. He pointed out the rise in the reputation of Islamic Banking and Finance as the concrete expression of these values in the economic field.

Although Muslims comprise almost one quarter of the world's 6.8 billion population, Islamic Finance accounts for only 0.5% of all financial assets in the world. The President then pointed out that Islamic Banking and Finance is a fast growing industry. The proof is the rise of Islamic banking assets with a growth of almost 29% to USD 822 billion, as compared to the 6.8% growth in traditional banking assets. He declared that Indonesia is proud to be part of the growth, with its USD 650 million



H.E. Abdoulaye Wade, President of the Republic of Senegal.

denominated Sukuk Ijarah being hailed as a ground-breaking event.

He noted that something needs to be done to overcome the barriers to entry that exist when it comes to investing in another's economy. He said much can be done to make the economies of Muslim countries more attractive by maintaining an efficient network of roads, railways, airports, seaports and communication systems with sufficient power supply.

He referred to Indonesia's hard work in the past twelve years as an uphill struggle. Elaborating, he outlined the success of the hard work by sharing the ability of Indonesia to open new fields of investment, provide generous incentives, and continue to mobilise resources, for a massive infrastructure building programme. Indonesia has identified the problems of its

education system and is in the process of fixing them. Labour-management relations are being solved and they are pursuing what is said to be the most aggressive campaign against corruption in modern history. He said that like many emerging economies and Muslim societies, Indonesia too is fast becoming a sea of opportunity.

He cited Prophet Muhammad S.A.W. as a great entrepreneur and he believes that now is the time for Muslims everywhere to rediscover this age-old secret of progress. He also outlined the Muslim nations' strength and unique capability by highlighting the Middle East and its petrodollars, Indonesia and its vast natural resources and Malaysia and its agribusiness-based industrialising economy. He said that although the golden age of Islam as a dominant force will never return, he stressed that entrepreneurship is one of the most powerful forces in changing the fate of the Ummah in the 21st century.

He ended his speech by urging Muslims to build real and total connectivity in terms of ideas and attitudes, goodwill and willingness to help each other and also in terms of common challenges and a shared future. With this, he believes that in such a world, the Ummah will rise and fulfil its potential, contribute to the shaping of a better world alongside all the other civilisations, and most importantly, humankind will become more pleasing in the eyes of Allah (S.W.T).

H.E. ABDOULAYE WADE, PRESIDENT OF THE REPUBLIC OF SENEGAL, highlighted the great relationship Senegal has with Malaysia and introduced Senegal as an emerging country. He said that Senegal is the only African nation talking about world governance. Rehabilitating Senegal's reputation for good governance is high on the priority list right now as part of efforts to regain investor and donor confidence. However, like many African countries, Senegal is a poor nation and is also dependent on foreign assistance.

He said agriculture forms the backbone of the economy in Senegal. India's assistance to provide fertiliser through

the Indian Farmer Fertiliser Cooperative to Senegal has supported the country to produce 400,000 to 500,000 tonnes of rice. Senegal has developed a liberal agenda including privatisation and other market-opening measures and still receives investment from other countries such as securities investment.

The President outlined that in his vision of 21st century globalisation, eradication of poverty is paramount. At present there is a lack of drinking water, homes and schools as well as an inadequate health service. Poverty should be analysed in terms of accessibility to food, health, water and sanitation. He firmly believes that poverty can be eliminated if the institution of Zakat is well-implemented. The Zakat levied on harvests at the world level would serve to reduce poverty in Senegal dramatically. This applies to all developing Muslim countries that experience poverty.

He reported that Senegal has removed direct and indirect taxes on materials, so that entrepreneurs can contribute a minimum profit. The government is now realising how to utilise funds better and is looking to attract investment into key areas including construction of infrastructure. Senegal is an infrastructure-poor part of the world and is in need of assistance in the form of tools, machinery and tractors.

He suggested that the G20 countries create study groups and not focus solely on speaking to the Heads of State. It is the duty of the Ummah to work together and have a common position. It is not acceptable for Muslim countries to be ignorant of the activities of other Muslim countries as it is the Ummah's duty to know what other Muslim nations are doing.

He also mentioned that the role of women in Senegal is important to the economic growth of the country. Presently, the number of educated women in the country is on the rise. Half the workforce at Dakar University is female.

Currently, Senegal receives investment from the Middle East and Asia. Trade and investment is an important activity in Senegal and he sees much potential in his

country to produce positive results for both investors and the people. He emphasised the need for the rise in the private sector to invest in Senegal and he urged the private sector to invest and assist in the financial and economic growth and stability of the country.

H.E. DR. FATMIR SEJDIU, PRESIDENT OF THE REPUBLIC OF KOSOVO, began his speech by briefly sharing the history of the independence of the Republic of Kosovo and announced that they celebrated their second anniversary of independence in February 2010. The Republic of Kosovo gained its freedom following an arduous century under Serbian rule. He said Serbia responded to their peaceful movement for freedom, independence and democracy with a policy of land burning, ethnic cleansing and crimes against humanity, including those committed against women, children and the elderly.



H.E. Dr. Fatmir Sejdiu, President of the Republic of Kosovo.

Muslim people have a strong culture of commerce.
Trade spread Islam in the past and now Islam has
brought greater trade.

In the late 90s, the North Atlantic Treaty Organisation (NATO) member-countries joined in a fight aimed at ending ethnic cleansing and crimes against humanity being committed in Central Europe. On 24 March 1999, having exhausted all options of finding a diplomatic solution, NATO launched air strikes against Serbian forces deployed in Kosovo and in Serbia. He said Serbia was compelled to sign its capitulation following 78 nights of NATO attacks. Its invasive forces withdrew from Kosovo, leaving behind a devastated country. Within a few days, the nearly one million Kosovans who had been expelled and had found refuge in neighbouring countries like Albania, Montenegro, Macedonia, returned to their homes.

He said that despite all the tragedies that Serbia inflicted in the past, Kosovo has extended its hand of friendship to Serbia, even during the UN-brokered negotiations in Vienna that were chaired by the Nobel Prize-winning former Finnish President Martti Ahtisaari.

However in his opinion, a negotiated agreement was not possible. On 17 February 2008, the representatives of the people of Kosovo announced the Declaration of Independence unanimously, committing to a democratic and multi-ethnic state of Kosovo. He added that the Republic of Kosovo has become an active catalyst of good relations and cooperation between countries of the region.

The Kosovan President expressed his gratitude and appreciation for all the support and help Kosovo has received from other countries in its journey to recovery from the war. Some concrete steps have been made particularly in the fields of energy, mining, transport, banking, agriculture and education. He admitted that there is still room for intensive action that would help

boost the economic growth of the country and integrate it into the family of developed countries.

He invited the representatives of all countries and businesses to invest in Kosovo as it offers many opportunities for businesses to thrive. Kosovo has adopted modern legislation in full compliance with the most advanced European and international standards. He reminded everyone that Kosovo is in possession of inexhaustible mineral resources. Nearly 40% of lignite reserves to be found in Europe are located in Kosovo and he sees this as an opportunity to invest in the field of energy. He emphasised education as another focus area. More than 52% of the population in Kosovo is under 28 years of age and its youth is its greatest asset.

He highlighted Kosovo's economic growth of 5% last year despite the worst effects of the global financial crisis. The banking system remained intact during the times of the crisis and remains such. He added that they have also created a stable budgetary system, which guarantees further economic growth.

He acknowledged Malaysia as one of the countries that expressed its commitment to the freedom of the people of Kosovo and stability in the Balkan region. Kosovo has been recognised by all the countries of the region with the exception of Serbia, and by the vast majority of the European Union (EU) member countries. He pointed out that Kosovo enjoys strong support from the international community.

Lastly, he invited all members from their respective countries to recognise the independence of Kosovo and support the legitimate right of the people of Kosovo to live in freedom hence, contributing directly to the stability of the country.



H.E. Mohamed Nasheed, President of the Republic of Maldives.

H.E. MOHAMED NASHEED, PRESIDENT OF THE REPUBLIC OF MALDIVES, focused on the vitality of trade and commerce which has brought many things to existence. It is through trade and commerce that Muslim nations meet with each other and meet with nations of other faiths. It was through business and trade that Islam was introduced to many parts of the world, including the Maldives.

In the 12th century, Arab traders and merchants were attracted to the Maldives because of its abundant supply of cowry shells. At that time, cowry shells were used as an international currency. The Maldives was also a

convenient place for merchants to rest and wait for the monsoon winds to guide them home. He reminded the delegates that Islam and commerce are synonymous and the Quran is explicit about the correct terms of trade and commerce. He believes that Muslims have a strong culture of commerce. Trade spread Islam in the past and now Islam has brought greater trade. There are new signs of investment and prosperity and this signifies growth of the prosperity of the Muslims from every corner of the globe.

In previous centuries, the Maldives exported cowry shells and provided intervals for sailors. Today, the mainstays of its export-oriented economy are tuna and tourism. The country exports tuna caught with pole and line around the world. It is some of the best tuna available in the market as the fish are caught sustainably. The Maldives also exports luxury tourism. People flock to the Maldives to enjoy the beaches and diving in the seas.

Other than tuna and tourism, the Maldivian President made it clear that the country has opened its economy to foreign investment and there are new opportunities for collaboration. For the past three decades, the Maldives was a relatively closed economy with the state controlling most of the industries despite permitting foreign investment. However, now Maldivians believe that the free market is the most efficient and effective mechanism to deliver goods and services. Lastly, the President said that the energy, dynamism and creativity of the Muslim people should be encouraged and that the WIEF is the best place to start.

H.E. SHEIKH HASINA, PRIME MINISTER OF THE PEOPLE'S REPUBLIC OF BANGLADESH, emphasised the importance of public-private partnership for accelerating economic progress. She said that Bangladesh offers business friendly policy options to the corporate sector and the Government has adopted liberal investment policies, including easy repatriation of capital as part of efforts to woo foreign participation. Significantly, she said the "Digital Bangladesh 2021 Programme" is aimed at turning Bangladesh into an

Bangladesh is among the frontline countries impacted by climate change caused by global warming and Green House emissions.



H.E. Sheikh Hasina, Prime Minister of the People's Republic of Bangladesh.

info-tech based and knowledge-driven, middle-income country within a decade.

She also urged companies globally to invest in Bangladesh and pointed out that global participation would help realise the Bangladesh Vision 2021. She added that the Government is also looking to SMEs to provide growth and has set up an SME Foundation to help remove policy obstacles and extend promotional support to entrepreneurs.

Training the youth with skills, is another endeavour that the Government is currently working on. She also pointed out that although Bangladesh is not a big contributor to climate change, it is among the frontline countries impacted by climate change caused by global warming and Green House emissions. She said that efforts to achieve the Millennium Development Goals and other development programmes are being hindered by climate change and wished that an OIC/WIEF Task Force be established to help find ways of supporting member countries facing such climate change challenges.

The Prime Minister also said that Bangladesh is trying to implement its 134 climate change action plans and is making efforts to build roads, railways, bridges, a deep sea port, generate power and explore for oil and gas. She added that the tourism sector which showcases Cox's bazaar, the longest natural sea beach in the world and the "Sundarbans", the largest mangrove forest and home of the Royale Bengal Tiger are also being developed. These are areas, she pointed out that will entice countries and companies to be involved in a win-win partnership.



(From left) H.E. Mohamed Nasheed, H.E. Dr. Fatmir Sejdiu, Hon. Tun Musa Hitam and H.E. Bambang Yudhoyono having a casual chat before the Official Opening Ceremony.



H.E. Dr. Surin Pitsuwan, Secretary General of ASEAN.

Forum Day 1 Plenary 1:

Leadership Panel: Leadership Challenges for the New Era

H.E. Dr. Surin Pitsuwan, Secretary General of ASEAN, moderated the session by bringing to light the role of leaders in the current transformation of community and society. He pointed out the concept of Muslims being custodians – Khalifatullah – of the earth; and asked all Muslims, “What are we doing about it, and what are our leaders asking or inspiring us to do about it?”

HON. TUN ABDULLAH AHMAD BADAWI, FORMER PRIME MINISTER OF MALAYSIA, shared his experience with the youth of the country and began by reflecting on his student years at university. He said understanding and knowing how to deal with the country’s youth posed a real challenge.

He said that as young people grow up, they tend to have aspirations such as going to good schools, finding employment, having the freedom to express themselves and when the time comes, the opportunity to become leaders themselves. The question he posed was, “Can we give them this?”

The former Prime Minister believes that education is the best form of investment for the youth and this falls under human capital development. Besides just schooling, he also made reference to young employees who seek to continue improving themselves. He believes that they must be given quality education. Without it, they will not be ready for the role of leadership.



Hon. Tun Abdullah Ahmad Badawi, former Prime Minister of Malaysia taking a question from the floor.

He cited other examples of problems the youth inherit such as conflict between countries. In his opinion, Muslims must have the political will to work hard to resolve issues such as poverty and unemployment. The youth must be provided with the right tools such as education, training and good values. He further explained that values that are instilled will ensure a person's integrity, a sense of responsibility and honesty.

When asked what the key to Malaysia's success was, he responded by saying that the answer lies in the significant amount of money that has been invested in education for the youth. He believes that Malaysia is what it is today because of education and the quality of human capital it has produced.

He concluded by suggesting youth representatives from around the world to be brought together under the WIEF Foundation umbrella and that training efforts be organised - for example, 3-month stints with organisations like the Peace Corps.

H.E. SHAUKAT AZIZ, FORMER PRIME MINISTER OF PAKISTAN, began by saying that we have to appreciate and understand the challenges that the world is facing in order to find the solution.

He argued that there is a leadership void and said the world does not have enough leaders to cope with issues like extremism, nuclear proliferation, global financial crises, food, water and energy security to name a few.

He defined a leader as someone who has the ability to change the mind-set of his home, city, country, company or the world. A leader may come with education or may not.

He continued by defining leaders as people who work hard, have a vision, question and challenge the status quo, are able to communicate effectively, have the ability to work with integrity and are incorruptible.

Malaysia is what it is today because of education and the quality of human capital it has produced.

He said they must know what is happening around the world to appreciate challenges and they must be able to translate vision into reality.

He used Apple as an example of a company that has touched people's lives. He explained how Steve Jobs took over a company that was in trouble and reinvented it.

The former Prime Minister further pointed out that leaders must build, grow and develop themselves constantly. The big change in leadership today is that a leader has to constantly move with changes as compared to leaders in the past. If leaders cannot keep up with the pace, they will fall behind and be replaced. He concluded by saying people should not be confused and misguided by the difference between politicians and leaders; politicians worry about the next election while leaders worry about the next generation.



H.E. Shaukat Aziz, former Prime Minister of Pakistan.

H.E. CHRIS BOWEN, MINISTER OF FINANCIAL SERVICES, SUPERANNUATION AND CORPORATE LAW AND MINISTER FOR HUMAN SERVICES, AUSTRALIA, spoke about leadership through economic growth. He said that leaders in the Asia-Pacific region are now more than ever taking on a greater role in the international decision-making arena and argued that the G20 should step forward and replace the G8.

He believes that the world needs to move on from the days of the G7 or the G8 making major decisions.

He argued that leadership must be present both regionally and internationally. When asked how Australia has managed to pull through during the global financial crisis, he said he believes it is because Australia responded similarly to Malaysia- by taking decisive action to stimulate the economy. He went on to say that prudential regulations in both Malaysia and Australia have withstood the test. Nations from around the world are looking more to the Asia-Pacific region to try and see what works in terms of the strength of financial institutions and prudential regulations.

He also agreed with the former Prime Minister of Malaysia that unemployment is a key indicator and that when there is high youth unemployment, it starts to pick away at the fabric of society. For that reason, he said Australia had been keen to ensure that during the global financial crisis, the unemployment rate got nowhere near that of the United States, United Kingdom and Spain. He believes that Australia's lower unemployment rate was the direct result of the Government's stimulatory action and strong regulations.



(From left) Hon. Tun Abdullah Ahmad Badawi, former Prime Minister of Malaysia and H.E. Dr. Surin Pitsuwan, Secretary General of ASEAN exchanging thoughts on stage.

He then continued by highlighting the point that the former Prime Minister of Pakistan made on leaders looking to the next generation and not the next election. He said that Australia plans to build up its future generations by managing pension funds. This is being implemented through a major reform, whereby 9% of citizens' income is put into savings. He said the number will soon be increased to 12% to ensure there are sufficient funds to secure Australia's future. He sees this as his generation's example of vision and leadership.

Australia is also expanding its strength especially in terms of its financial services. It would like to develop these strengths as part of incorporation efforts with its Asian neighbours. Australia would like to build on the success of other countries, and use these "best practices" to manage its own wealth by expanding services like wealth management and financial regulations similar to that of the European Union's integrated model. This is the sort of leadership that Australia is showing by investing in the next generation and not the next election.

The Australian Minister concluded by saying that hard decisions have to be made even when those decisions are unpopular. The key is to ensure that people

understand why those decisions have to be made. Long term decision-making will be appreciated as good leadership at the end of the day.

H.E. DR. AHMED MOHAMED ALI, PRESIDENT OF THE ISLAMIC DEVELOPMENT BANK (IDB), highlighted the fact that global leadership is not a given, but rather it comes as a result of hard work. He stated that we must urgently address the question of leadership in this era as there is a significant number of people in the Ummah who are waiting for the collective response for Muslims.

He agreed that new leaders should build on collective experiences and learn from the older generation. Their focus, he noted should lie in 3 key areas:

1. Leadership through inclusiveness.
2. Grass roots leadership.
3. Leadership through formed partnerships.

He said attempts by the current global leadership to address challenges such as the global economic crisis

have been inadequate. There needs to be an inclusive leadership and model of governance. The old structure of exclusive clubs like the G7 and now the G20 may no longer be able to address the current challenges.

Furthermore global leadership is no longer limited to just government. Instead, he argued, it now includes the private sectors and civil society groups as equal partners too. He said the key is to bring everybody to the same table to come up with a common solution and that fortunately the internet has allowed us to learn more about what the inclusive leadership model can be.

He went on to state that we cannot and should not apply old solutions to new problems. Consequently, we may want to consider revamping the existing global platforms of the OIC. He also pointed out that the WIEF is a very good platform to pave the way for greater inclusive leadership.

The crisis has also shown that 'grass roots' or 'bottom-up' leadership is just as important. He argued that to engage people today, leaders need to learn and acquire new technical skills and get to grips with writing blogs and using Facebook and Twitter. He added that centralised models of the past are no longer adequate to respond to the leadership needs of the new era.

He advised leaders in the new era to combine elements of both 'top-down' and 'bottom-up' leadership approaches. He suggested that the WIEF Foundation should consider programmes that include 'grass root' leadership in the future. He added that the era of the super powers is changing and that leadership through partnership is a more effective model. The Islamic Development Bank (IDB) has recognised partnership as its primary model of leadership and it is introducing a new approach, namely a member-country partnership strategy to help member-countries stay abreast of development in other nations.

He concluded by saying we should look back in history to a time where it is possible to extract principles of leadership, particularly those in line with the objectives of the Shari'ah, in attaining a comprehensive and balanced human development agenda. This would help us to shift our current mind-set of governance which gravitates around an economic and industrialisation approach to one of human development. The practice of leadership based on mentoring or leadership by example should be included. Leadership models could also be introduced in the education system as a guide for the next generation of leaders.



(Left) H.E. Chris Bowen, Minister of Financial Services, Superannuation and Corporate Law and Minister of Human Resources, Australia and (Right) H.E. Dr. Ahmed Mohamed Ali, President of the Islamic Development Bank (IDB).



Tan Sri Zarinah Anwar, Chairman of the Securities Commission, Malaysia.

Forum Day 1 Plenary 2:

The Business of Innovation: Wiring for New Needs

Tan Sri Zarinah Anwar, Chairman of the Securities Commission, Malaysia, as the moderator for the session, initiated the dialogue by defining innovation. She said it involves coming up with a new product or new way of doing things that adds value. She added that innovation improves organisational processes and structures, and provides ways of getting things done at a lower cost and a shorter time span. In short, innovation breeds efficiency and productivity.

Frugal innovation she said, is innovation that provides for basic needs, making those needs more affordable and accessible and easier to use. Innovation goes beyond cutting-edge technology or competition; it should be thought of in broader terms, such as improving the standard of living of the average person.

Promoting and driving innovation is a top priority for governments and companies. However in pursuing these efforts, there are many issues that must be dealt with such as human capital. A country like China with a huge population sees 75,000 of its people graduating with higher degrees every year. But there are also countries like Sweden, Switzerland and New Zealand, with a much smaller population, and due to the quality of their education system, are considered strong high-value innovators. Therefore, it is not so much the qualification that matters, but the aptitude to apply knowledge. Zarinah questioned whether culture had a part to play in this disparity; can hierarchy and stringent rules stifle the creation of ideas? She concluded that there must also be a commercial angle when it comes to R&D to ensure that basic research can translate into value-added innovation. This should also be applied in branding and marketing.

The process of innovation starts from the top persons, who must believe in themselves as champions of innovation; once this is done, the rest will follow.

DATUK GHAZI SHEIKH RAMLI, FOUNDER AND PRESIDENT OF THE MALAYSIAN ASSOCIATION OF CREATIVITY AND INNOVATION (MACRI), addressed the urgent need for innovation facing the OIC countries. He explained that innovation can only happen when new ideas and creativity can be implemented and translated into better products in the market. He advised all organisations, businesses, educational institutes and governments to adopt a culture of innovation. The process of innovation starts with the people at the top, who must believe and should self-appoint themselves as champions of innovation. Once this is done, the rest will follow. He said the culture within an organisation or



Datuk Ghazi Sheikh Ramli, Founder and President of the Malaysian Association of Creativity and Innovation (MACRI).

business needs to be such that it is open to new ideas. Staff should be encouraged to think outside the box, and be allowed to make mistakes. He also suggested that employees be given two designations; the first to describe their actual jobs and the second as 'Chief Innovation Officer'.

Giving all staff the title 'Chief Innovation Officers' provides them with the opportunity to challenge the way things are done in the process of coming up with more efficient and effective ideas.

Technology is associated to innovation and products. Ghazi noted that because of the high impact of advertisements, people tend to think that innovation is about hard products. However this is not the case and to demonstrate the comprehensiveness of innovation, he came up with the acronym '2PSM', which stands for: product, process, services, system, methods and models. He said if Malaysia uses this model, it would thrive further.

He concluded that if Muslim countries are to drive innovation, they must focus on developing education.

H.E. PROF. DR. ATTA-UR-RAHMAN, FRS, COORDINATOR GENERAL OF THE OIC STANDING COMMITTEE ON SCIENTIFIC AND TECHNOLOGICAL COOPERATION (COMSTECH), was asked about the importance of culture to facilitate development and what governments need to focus on to ensure sustained economic growth and prosperity. In response, he stressed that we live in a world where knowledge has become a key driver in

social and economic development. He went on to say that we live in a world where truth is stranger than fiction. He gave analogies such as paralysed people moving wheelchairs with their minds, planes flying without fuel and cars running on compressed air.

He then explained that there are 4 pillars needed for progress to ensure the ecosystem works:

1. The first pillar is education; this covers all educational levels - primary, tertiary, higher and also technical education.
2. The second is science and technology, which he emphasised, was very important and there needs to be a focus on niche opportunities.
3. The third pillar is innovation; defined as translating ideas into products and processes. This is difficult however because there must be access to technology parks and venture capital, which will support private R&D.
4. The fourth pillar, he stated was the need to have quality governance and leadership. At present in the Muslim World, a considerable amount is being spent on education, but technology is being left behind.

He cited some examples of this stating that the Ministry of Science and Technology in Pakistan has increased funds by 2400% and 6000% for science and technology respectively. They also decided to send 5,000 students abroad to study, and made sure that every university is well equipped with video conference technology so that they are all connected in this new world. In Pakistan, they also increased professors' and doctors' salaries to 5 times the amount their civil service peers.

He said ultimately, the key is political will and the vision to change things and to use knowledge as a driver of the economy. Only 0.1% of total aid goes into improving skills sets, while a lot of the budget goes towards basic



Prof. Dr. Atta-Ur-Rahman, Coordinator General of OIC Standing Committee on Scientific and Technological Cooperation (COMSTECH).

education. He concluded that the vision is not there, so the true crisis is in visionary leadership. Unless this changes, he warned that there will be no progress.

MS. NATALIE DAY, DIRECTOR OF THE ATLAS OF ISLAMIC-WORLD SCIENCE AND INNOVATION PROJECT AND SENIOR POLICY ADVISER TO THE ROYAL SOCIETY SCIENCE POLICY CENTRE, UNITED KINGDOM, began her discussion by touching on the history and accomplishments of The Royal Society in the UK and the changes in global science in terms of promotion and accumulation of knowledge. She believes there is widening gap between what science allows us to do and what ethics allows us to do. She then raised the question

An innovated environment contains 3 important components: technology, talent and tolerance.

of how we are to rewire the economy, science, and society to take on these challenges.

The landscape of global science is shifting. She said new innovators are emerging or in the case of China re-emerging. China is now the second largest R&D producer in the world.

By 2020, China will be number one in producing scientific publications in the world. China is becoming a pivotal hub for the flow of people, ideas and technology around the world.

When asked by Zarinah to share the key innovations she was seeing in the OIC countries, Natalie said the Islamic World is slowly showing signs of ambition particularly in the Middle East region, with Saudi Arabia, Qatar and Abu Dhabi. These changes in the geography of science are quite promising. However she added that these emerging economies are starting from low bases and still have a long way to go. There is a dramatic shift occurring in India and China and other emerging economies, but the hardware of investments and infrastructure does not match the so-called “software” side of culture, namely values and creativity. So, instead of one science superpower leading another, the world is becoming a multi-polar system of global science. To strengthen national science and innovation systems, she urged nations to develop more creative and better resources across international networks, especially in tackling shared global challenges.

She said with countries working together, scientific excellence and international relations can reinforce one another and nations with strained political relations

can be rebuilt. The Atlas of Islamic-World Science and Innovation Project, which the Royal Society is leading in partnership with the OIC, is a three year project that explores the changing landscape of science in the Islamic World. It looks at the strengths, barriers and challenges of science and how it can be solved. Malaysia is one of 15 countries alongside Pakistan, Qatar and Egypt to take part in this project which aims to strengthen collaboration and exchange. It is also looking to consider the role of science in diplomacy and the potential of science to help rebuild trust and foster understanding with the Islamic World.

DR. HALIL KULLUK, CHAIR OF THE INTEKNO GROUP OF COMPANIES, TURKEY, began by referring to a great Islamic Turkish philosopher who said that there are two kinds of intelligence: the first which is memorised, is acquired as a child. The second is completed; and Halil defined innovation as creativity plus implementation. He said innovation can be social innovation or cultural innovation and an innovated environment contains 3 important components: technology, talent and tolerance. Islam is a religion of tolerance; as for talent, it is widespread. He added that technology however, remains a work in progress.

He said changing behaviours is important, but changing the way we think is critical. There is a big gap between knowing and doing, and we need more doers. Instead of simulating the world we must innovate it. He concluded by saying that new ways of thinking will bring unlikely solutions.



(Left) Ms. Natalie Day, Director of the Atlas of Islamic World Science and Innovation Project, and Senior Policy Adviser, Royal Society Science Policy Center, UK and (Right) Dr. Halil Kulluk, Chair of Intekno Group of Companies, Turkey.

SIR MARTIN SORRELL, GROUP CHIEF EXECUTIVE, WPP, UNITED KINGDOM, moved away from the macro theoretical viewpoint on the subject to a more practical one. He raised a question on what is happening in the world and how we can change these things into a meaningful strategy given the shifts that we have seen.

He noted that shifts in the balance of power are nothing new. He pointed out that the world is seeing a shift of balance of power from West to East and also from West to South. Saudi Arabia is leading the Middle East in this shift, Islamic Branding and Marketing is being explored and is quite significant since in many of these nations, Muslim consumers are extremely important.

He said that significant over-capacity is another issue that many countries are now having to deal with. He added that it is neither capital nor productive capacity but rather people capacity. Some nations are faced with the pressure of birth rates while others have to deal

with ageing populations. These statistics are creating a significant impact on the availability and supply of talent. The big differentiating factor in the future insofar as governments, businesses and academic institutions are concerned will be the quality of their people, the ability to find these people, give them incentives, motivate them and retain them.

He said the rise in the use of personal computers, the mobile phone and the internet in the East has leapfrogged the pace previously seen in the West. The development and rise in social networking and of video content are all tools that can be used to innovate. Through these tools there is more power to the people and the youth especially those who previously had been frustrated about not being included in the political process. He said the web has created new business models which are less bureaucratic, more flexible and more attractive to the youth in terms of career development.

He said with increased globalisation, consumers are starting to become more alike. People are now more so than ever before consuming products and services in a similar way around the world. Another point he made was that corporate social responsibility has become more important in an age when information is more readily available. It is no longer about charity or altruism but more about good business sense. He said if we can travel less and use telephone presence technology, costs would be reduced. It is about doing good for business and not just about doing good for the sake of it.

He concluded by stating that new digital technologies and social networks have become important and businesses are now being driven by them. As such, understanding consumers, Muslim consumers in particular, is key.



Sir Martin Sorrell, Group Chief Executive of WPP, UK.

PROF. DATIN PADUKA DR. KHATIJAH BT. MOHD. YUSOFF, DEPUTY SECRETARY GENERAL (SCIENCE) FOR THE MINISTRY OF SCIENCE, TECHNOLOGY & INNOVATION (MOSTI), MALAYSIA, was asked about the importance of human capital in ensuring innovation in technology. She responded by stating that the Malaysian government plans to create a high income innovation-oriented economy to achieve the target of "Vision 2020". Low-cost labour, tax incentives and such measures are no longer enough to ensure competitive advantage. Knowledge, creativity, innovation, quality resources and skilled workers are essential if the new economic paradigm is to be achieved. She said the commercialisation of ideas, entrepreneurship and innovation services are critical in moving Malaysia towards achieving its goal. She added that the need for an 'innovation culture' which is supported by research can only happen with highly skilled human capital, which Malaysia currently lacks. There is also a need to contribute more funds to R&D because research and innovation go hand in hand. Innovation is driven by human capital, and it is necessary that the talent pool constantly grows.

Researchers need to be international players. They should contribute not only to the national economy but should also collaborate and participate in international economies and/or markets. Innovation cannot happen in isolation.

Zarinah, as moderator of the session, open the floor to questions from the audience. A question was addressed to Atta-ur-Rahman on the challenges involved in trying to get Muslim countries to invest in science and also how to change the 'failure of leadership'. He responded by pointing out that we have seen repeated summits, forums and conferences where the leaders of Muslim countries gather, talk and make flowery resolutions about science and technology. However, he concluded that



Prof. Datin Paduka Dr. Khatijah Bt. Mohd Yusoff, Deputy Secretary General (Science) for Ministry of Science, Technology and Innovation (MOSTI), Malaysia.

the reality is that there is zero funding on the national and international levels from those same leaders. This is due to the massive corruption that exists in most Muslim countries, lack of visionary leadership at the top, added to the fact that most are closed political systems (i.e. kingdoms) and that there are no true democracies; feudal systems are still the mainstay in some places - there is massive illiteracy, thus causing a serious crisis of leadership.

Another question, posed by Mohamed Amin from the Muslim Council of Britain (MCB), was what the other factors were besides money, with regard to the educational system, that discourage the level of creativity and critical thinking. Atta-ur-Rahman responded by saying that a problem-solving approach needs to be introduced; an approach that questions rather than accepting written words as being final. He said children

must start at an early age to question everything. There is a need for a basic change in the way subjects are taught, and this will link to their personality and ultimately to their innovative skills. Ghazi added that now is the time for us to adopt a different educational system. The current system is killing creativity.

Rote education that encourages children to memorise facts rather than consider their application does not fuel innovation. We must encourage students to voice out and ask questions; we must also tolerate their questions.

The critical question is "Do we want to change?" The biggest change would be changing the educational model. The way to do it is to start with the youth and ensure that it follows through from kindergarten all the way through to university. Khatijah further noted that the environment is very important at home for the child. Rather than enforcing the old way of thinking, we must allow our children to grow.

Finally Martin was asked to define the kind of innovation he had spoken about. Did he mean applied innovation, replicative innovation, inventive innovation or simply copycat innovation? He replied by stating that there are fast growing markets (also referred to as emerging markets) and slow growing markets. He said that in the past the world saw 'copycat' innovation from Japan, Korea, and China. As the markets become sophisticated and stronger, there will be more intuitive, innovative, and more original products. When multinationals 'invade' fast growing markets, they start with highly sophisticated products that actually have no local appeal. The local companies however become more innovative by copying from highly-sophisticated products. In conclusion Martin said there will always be 'copycat' innovation; but this also leads in its own way to more original innovation and new ideas.



Mr. Tanri Abeng, Chairman of PT Telkom, Indonesia and moderator of the session.

Forum Day 1 Plenary 3:

Countries in Focus A - Business, Trade & Investment Opportunities

Mr. Tanri Abeng, Chairman, PT Telkom Indonesia, was the moderator for the session.

H.E. LAMIA MEREI ASSI, MINISTER OF ECONOMY AND TRADE, SYRIA, began by saying that Syria, the cradle of Islamic civilisation, is today in the middle of a comprehensive programme of economic reform.

She pointed out that since economic sanctions on Syria have been lifted, the Syrian economy is opening up and some products are already being traded. Syria's main exports are garments and textiles, oil and gas, animal and agricultural products, and phosphate. Its main imports consist of: machinery and industrial equipment, transportation equipment, chemicals, tea, coffee beans and metals.

Syria is integrated with the global economy partly as a member of the Grain and Feed Trade Association (GAFTA) and it was recently granted observer status by the World Trade Organization (WTO). Efforts at promoting exports have yielded formal trade agreements with Turkey and Iran.

The Syrian Government has made major reforms in key areas of Investment Law, Arbitration Law and tax incentives to enhance the country’s investment environment.



H.E. Lamia Merei Assi, Minister of Economy and Trade, Syria.

As part of ongoing efforts to attract foreign investment, the Minister added that the government has undertaken major reforms in the key areas of Investment Law, Arbitration Law and tax incentives to enhance the country’s investment environment.

The changes in the Investment Law No. 8 issued by the President of the Syrian Arab Republic in 2007 are as follows:

- It shall be permissible for investors to possess and lease land and real estate required for establishing or expanding investment enterprises, as defined by the effective laws and regulations.
- Imports needed to serve the goals of the projects are exempted from all taxes and fiscal stamp, local and customs duties and otherwise.
- Enterprises and investments licensed pursuant to the provisions of this Legislative Decree cannot be seized or expropriated; neither could there be any limitation with regard to their ownership or revenues.
- A non-Syrian investor and his family shall have work and residence permits during the enterprise execution and operation life.
- An investor shall have the right to re-transfer the outcome of dealing with his/her share of the enterprise in a convertible currency.
- Pursuant to the provisions of this Legislative Decree, an investor shall have the right to annually transfer abroad the profits and interests resulting from the invested foreign capital in a convertible currency.

Moreover, the government’s industrial strategy is focusing on establishing industrial hubs around major cities such as Aleppo, Sub-Damascus and Homs and Dayr az-Zawr,. This has led to the increasing number of investment projects concentrated in the following areas:

1. Industrial city in Adraa (Sub-Damascus).
2. The industrial and housing city in Hassia (countryside of Homs).
3. Sheikh Najjar Industrial City (Aleppo).
4. Industrial City in Dayr az-Zawr, (Eastern Area of Syria).

The Minister of Economy and Trade concluded by saying that there is more legislation to come in the various areas affecting the economic well-being of Syria including an E-commerce Law, retirement benefits, improvement in Export/Import Laws and others.

H.E. AMINATA NIANE, DIRECTOR GENERAL, AGENCE NATIONALE CHARGÉE DE LA PROMOTION DE L’INVESTISSEMENT ET DES GRANDS TRAVAUX, SENEGAL, started by introducing Senegal as a country in the west of Africa with a population of 3 million, GDP per capita of USD 1,600 and a ‘B+’ long term rating by Standard and Poor’s.

Senegal’s vision is to improve its economy. To achieve this, the government has come up with strategies that include:

1. Improving the business environment.
2. Upgrading infrastructure through public/private partnerships (PPP).
3. Providing incentives for sectors and industries with a high social impact.

She reported that Senegal is positive about achieving its vision of becoming an emerging economy by 2015 because Senegal:

- Has enjoyed political stability for the past 50 years.
- Is a democratic country whose President is elected every 5 years.
- Has an open and dynamic economy.
- Has improved the quality of human resources.
- Has an educated population and safe environment; one of the lowest HIV/AIDS adult prevalence rates in Africa - less than 0.8%.
- Has preferential access to regional and international markets.
- Is improving its business environment and reducing red tape; to allow any investor to start a business within 48 hours.



H.E. Aminata Niane, Director General of Agence Nationale Chargée De La Promotion De L’Investissement Et Des Grands Travaux, Republic of Senegal.

MR. GITA WIRJAWAN, CHAIRMAN, INVESTMENT COORDINATING BOARD OF INDONESIA, began with a brief overview of Indonesia’s background and made reference to the political transformation the country underwent 11 years ago. Indonesia enjoys macro stability in terms of the economy and is a member of G20.

It is also rich in natural resources such as oil, gold, copper and palm oil. He added China and India have invested in the country and the government has shown a commitment to improving infrastructure as part of ongoing efforts to boost foreign investment.

With youth comprising 50% of the Indonesian population, the government has set aside significant funds for education. With the Indonesian economy poised to grow strongly, Gita invited investors to take a closer look at the business and investment opportunities on offer.



(Left) Mr. Gita Wirjawan, Chairman of the Investment Coordinating Board, Indonesia and (Right) H.E. Dr. Seyed Shamseddin Hosseini, Minister of Finance, Iran

H.E. DR. SEYED SHAMSEDDIN HOSSEINI, MINISTER OF FINANCE, IRAN, began by reflecting on Islamic Finance’s stellar future and went on to say that conventional models of financing should be replaced with Shari’ah-based instruments such as Sukuk (Islamic bonds).

With a banking system governed and endorsed by reputable scholars, the Minister of Finance added that within the last decade Iran has been one of the most successful countries in the region with Iran’s capital and securities market seeing significant growth. Despite the global economic crisis, exports increased by 55% in 2009 and the total value of foreign trade stands at USD 80 billion.

Well-developed infrastructure, easy access to international waterways, and the free trade zone were just some of the benefits Dr. Seyed highlighted and he



invited all businessmen and interested companies to see the many opportunities Iran has to offer by visiting the Trade Promotion Organisation of Iran website: www.tpo.ir

H.E. SENATOR WAQAR AHMAD KHAN, MINISTER FOR PRIVATISATION, PAKISTAN, began by highlighting the fact that Pakistan has gone through tremendous political instability. As part of efforts to promote a more ‘corporate image’, the Minister discussed 3 aspects that are fundamental for investment in any country:

1. Building confidence in local and foreign investors. There must be an understating of their wants and needs in making sure that the policies and incentives that are given, are in continuity with the government’s policies and are unanimously passed by the cabinet.
2. Introduction of an alternative dispute resolution mechanism. This is a form of arbitration that can be implemented in dispensing pending matters in a speedy manner.
3. Incentives that the government can provide as a policymaker to the people, in the form of special economic zones, tax incentives as well as security for the community.

Pakistan is a developing and emerging economy and the government is working towards greater industrial growth and self-sufficiency for the nation’s growing population.

He said Pakistan has to focus on innovative ways to generate revenue from its own resources to self-sustain the economy instead of relying on loans.

And more importantly, in order to concentrate on economic issues, there must be political stability in the country and unanimous consensus on national issues.



H.E. Senator Waqar Ahmad Khan, Minister for Privatization, Pakistan.

In conclusion, he said despite the global recession, none of the banks has asked the State Bank of Pakistan for help, due in his opinion to prudent monetary policies, home-grown economic policies and integrity.

As moderator of the session, Tanri invited the audience to raise their pertinent questions to the distinguished panel of speakers. A delegate posed a question to Dr. Seyed regarding the strategies in bringing in foreign direct investment to Iran especially with the sanctions imposed on the country. He responded by saying there are vast investment opportunities. Last year, the value of investments increased by 50% and more investors are coming to the country especially with the introduction of Sukuk (Islamic bonds).

Forum Day 1 Plenary 3:

Countries in Focus B - Business, Trade & Investment Opportunities

Mr. Salahuddin Kasem Khan, Chairman, SEACO Task Force, Bangladesh & Managing Director & CEO, AK Khan & Co. Ltd, Bangladesh, was the moderator for the session.

HON. DATO' SRI MUSTAPA MOHAMED, MINISTER OF INTERNATIONAL TRADE AND INDUSTRY, MALAYSIA, began his speech by welcoming everyone to Malaysia and invited delegates to experience Malaysian hospitality. He introduced the shared vision of the Prime Minister and outlined ways in which the New Economic Model would help the nation move up the value chain by encouraging knowledge industries and high tech industries. He also emphasised Malaysia's focus on doubling per capita income by 2020 and on developing innovation and creativity.

The Minister said through collaboration, Malaysia could attract capital into the country, and at the same time local companies could take on big projects outside the country.

Currently, most investments in the country are from developed nations such as the United States, Japan and Germany. He expressed the desire to increase intra-ASEAN trade and lamented that investment into Malaysia from the OIC was very small and needs to be beefed up from the current 3%. He also commented that OIC countries needed to boost trade amongst themselves.

The Minister said the annual Malaysia International Halal Showcase (MIHAS) could serve as a platform for trade promotion among OIC countries. He pointed out Halal products are seeing a growth in demand in countries including France, Taiwan and Japan, and that the number of countries participating in this year's event was expected to exceed last year's total of 50.



Hon. Dato Sri Mustapa Mohamed, Minister of International Trade and Industry, Malaysia



(Left) Mr. Salahuddin Kasem Khan, Chairman of the SEACO Task Force, Bangladesh and Managing Director & CEO of AK Khan & Co, Bangladesh. and (Right) H.E. Salman Khurshid, Minister of State for Corporate Affairs & Minority Affairs, India.

He said companies setting up business in Malaysia are offered generous incentives and that high value-added industries, the agriculture, Halal, renewable energy and services sectors are being promoted at present.

The Minister added that while 100% foreign equity is allowed in Malaysia, joint ventures with local partners are recommended.

With a portfolio that includes property, healthcare, travel & tourism and Islamic Finance to name a few, he concluded by saying Malaysia is looking to attract high net-worth individuals and also believes in investing in third world countries.

He expressed his appreciation to countries that have hosted and supported Malaysian businesses overseas

and highlighted Malaysia's 8 point rise in the list of most competitive countries to 10th in the world.

H.E. SALMAN KHURSHID, MINISTER OF STATE FOR CORPORATE AFFAIRS & MINORITY AFFAIRS, INDIA, stated that India has looked inwards for economic growth and that its domestic market is perceived to be its strength but that the country was also looking increasingly outwards. 15 years ago, the current Prime Minister of India, who was then the Finance Minister, put in place a series of fundamental reforms in the country's financial markets. To date, more sectors have reached high levels of reform. However, some industries have been more cautious and slow, mainly in the banking and insurance industry, in order to protect domestic markets.

In the area of Islamic Finance, the Minister highlighted India's progress in developing Shari'ah-compliant

FDI in India in 2009 was about USD 27 billion, nearly double of that in 2007. India is targeting annual FDIs worth USD 50 billion by 2012 and USD 100 billion by 2017.

instruments. Currently, there are about 6 major players who have Shari'ah-compliant products in the domestic market, including Shari'ah-compliant stocks, portfolios and mutual funds.

On foreign direct investments (FDIs), he revealed the 2009 figure stood at USD 27 billion, nearly double the amount in 2007. India is targeting annual FDI worth USD 50 billion by 2012 and USD 100 billion by 2017. India ranks second, with 117 points, in consumer confidence in the fourth quarter of 2009 - according to the Nielsen Global Consumer Confidence survey.

The Minister called on Malaysian companies with a good track record in the road building sector to collaborate with Indian companies and help deliver high quality physical infrastructure. He said the government has targeted the construction of 20 kilometre stretches of national highways per day at a cost of about USD 80 billion over the next 3 to 5 years. He went on to share some statistics from other industries. Rapid damage control after the global financial crisis saw India maintaining a GDP of 7.2% last year with the forecast for the current fiscal year at 8.75%. The turnover of the auto industry in India is expected to touch USD 40 billion by 2016 while the healthcare industry is projected to grow 23%, at USD 77 billion, as compared with the current estimated size of USD 35 billion.

Small and medium-sized enterprises (SMEs) that form the bulk of India's exports will constitute 22% of GDP by 2010. SMEs hope to retain an annual growth of 20% and are expected to reach USD 700 billion by 2012. He pointed out opportunities in the horticulture and fruit logistics sectors.

He concluded by saying India is an interesting model that illustrates how the Islamic World can reach out to the rest of the world. Although India is a secular country, it has the second largest Muslim population in the world. Concepts derived from Islamic thought and law are given a flavour that makes them more acceptable among different communities. There is unity in diversity, and he effectively pointed out that the '1Malaysia' slogan is similar to the image that India portrays.

H.E. ASET ISSEKESHEV, DEPUTY PRIME MINISTER & MINISTER OF INDUSTRY AND TRADE, KAZAKHSTAN, declared the recent global economic crisis was neither financial nor short-term in nature; rather it was a structural and long-lasting one.

While world economic instability threatens to test the global economic system, he said these threats and challenges demand strong leadership and detailed action plans aimed at the consolidation of national security, internal stability and intensive economic modernisation. To summarise achievements, the Deputy Prime Minister said first quarter 2010 GDP was up 7%, the unemployment rate was below pre-crisis figures and over the last two years, Kazakhstan has attracted over USD 38 billion in FDI.

He then highlighted the strategic perspectives proposed by the President of Kazakhstan on the development of human capital and new innovations towards 'vision 2020'.

In light of this, by 2015 Kazakhstan aims to:

- Increase GDP by 50% of its 2008 level
- Increase non-extractive exports by up to 40% of total exports
- Increase labour productivity in extractive industries by at least 100%
- Reduce energy consumption by at least 10% of 2008 levels

He also shared some government initiatives designed to support investors in developing the priority industries. These are:

- “Road map of business 2020” – to attract private investors to the local regions. This programme provides several incentives as interest rate subsidies on loans, loan guarantees and development of industrial infrastructure.
- “Productivity 2020”- to spur technological modernisation and economic productivity growth. This programme provides incentives such as subsidising interest rates on leases and loans for purchasing fixed assets, innovation grants, R&D bureaus and laboratories for designing new products.
- “Export 2020” – to stimulate exports from non-extractive industries. This programme assists in ways such as the publication of guidance materials to help exporters, promotion of trademarks of specific products, and the organisation of Kazakhstan trade missions.
- “Investor 2020” – designed to attract foreign investors. This programme has several incentive measures such as tax incentives, simplified mechanisms for foreign labour import and free custom regimes in special economic zones.



H.E. Aset Issekeshev, Deputy Prime Minister & Minister of Industry and Trade, Kazakhstan.

One of the main goals of these government programmes is to create attractive conditions for direct investments into non-extractive sectors of the economy. It is hoped this will help transfer knowledge and experience into Kazakhstan.

Kazakhstan is in the midst of developing economic and industrial zones. To date, the country boasts more than 8,000 companies with foreign capital participation. 270 of them are listed in the Fortune 500 list of the world’s largest companies.

Kazakhstan is the first country in the Commonwealth of Independent States (CIS) and Central Asia to have taken steps to develop an Islamic Finance system.



Speaker line-up of the ‘Countries in Focus B’ session on the first day of the Forum.

Having created basic legislative conditions for Islamic Finance, the government is promoting further supporting policies. As a result, some of the local market players are promoting Islamic Finance instruments.

Al Hilal Bank is the first Islamic bank to receive a full banking license in Kazakhstan. Several Shari’ah-compliant projects for sukuk issues are being implemented and private equity funds and consultancy companies are being established. He also mentioned that Kazakhstan is working with Malaysia to establish a new Islamic bank in Kazakhstan.

As a best practice of regional partnership, he proposed a Joint Customs Union with Russia and Belarus. This would mean the removal of customs restrictions between the three countries allowing for the free passage of goods and would build up to a unified market of consumers with a population of 170 million and a combined GDP of nearly USD 2 trillion. This customs union will open new opportunities to investors in Kazakhstan, and become the gateway to other major regional markets.

Kazakhstan’s reputation as a reliable partner in the international arena is evident from the country’s chairmanship of the Organization for Security

and Cooperation in Europe 2010, the forthcoming chairmanship of the OIC, and also the hosting of the 7th World Islamic Economic Forum in 2011.

The Deputy Prime Minister concluded his speech by inviting the delegates of the Forum to participate in joint strategic projects in the priority sectors of the economy of the Republic of Kazakhstan and expressed his hopes that the Forum would continue to be a platform for successful negotiations and joint agreements.

H.E. MUHAMMAD FARUK KHAN, MINISTER FOR COMMERCE, BANGLADESH, shared the Bangladeshi Prime Minister’s pledge toward a digital Bangladesh with a high rate of economic development with plans to upgrade Bangladesh to a middle income economy by 2021.

The Bangladeshi government’s highest priority is poverty alleviation and stabilisation of the economy. It hopes to achieve these objectives with greater depth through external trading and influx of investment.

Apart from GDP growth, other key economic variables showed minimal fluctuations over the past few months and on a more positive note, foreign trade in Bangladesh expanded in the last financial year.

The Minister spoke about the textiles and ready-made garment industries, which account for 76% of Bangladesh’s total exports. It is believed that Bangladesh’s exports in this sector will be approximately USD 20 to 25 billion in the coming years due to marketing and quality improvements; at the same time, Bangladesh’s competitors are losing their edge due to higher labour costs.

After textiles, remittance is the second biggest source of income from foreign exchange earnings, with expected earnings of USD 12 billion this year. Bangladesh has a FOREX reserve of USD 10 billion. Bangladesh’s sovereign credit rating has been rated ‘BA3’ by Moody, and ‘BB’ stable by Standard and Poor’s.

Bangladesh is moving fast to undertake structured reforms to create a business-friendly environment under a market-driven economy where the private sector is expected to play an important role.

Bangladesh’s major trading partners are the United States, the European Union, China, India, Japan, South Korea, Canada, Australia, Malaysia, Indonesia, Saudi Arabia and Egypt.



H.E. Muhammad Faruk Khan, Minister for Commerce, Bangladesh.

The Minister spoke about the fiscal and non-fiscal packages offered by the government to export-oriented and export-linked industries, as well as manufacturing and processing industries which would create employment. He highlighted the country’s strategic location which bridges the markets in South Asia and South East Asia. Chittagong Port, serving as an entry port and business gateway for South Asia and ASEAN, is poised to become a regional hub in activities related to assembling, manufacturing, trading, and services. Bangladesh is also one of the most open economies in South Asia.

The Board of Investment (BOI) and Bangladesh Export Processing Zone Authority (BEPZA) provide institutional support and services to investors. He added that as a not-so developed nation, Bangladesh has a natural advantage with duty free and quota free market access. Foreign investment is welcomed in export-oriented industries, with unrestricted equity participation in all sectors of the economy. Foreign investment is also desired in high-tech products that will help import substitution or labour intensive industries.

Within the South Asian Association for Regional Cooperation (SAARC), Bangladesh has a vast market of 1.4 billion people and a sizable and growing middle class of 43 million people around it, which makes it an attractive destination for trade and investment.

Infrastructure development and electricity generation are areas where massive investment is needed. Railway transportation, national highways, and modernised sports facilities also require development and investment.

The Minister concluded by stating Malaysia as the 5th largest investor in Bangladesh, after Norway, the United Kingdom, the United States and South Korea. Malaysia has currently invested in the agro-processing and furniture industries. He invited more Malaysian investors to focus increased investments in manufacturing, services, infrastructure, and proposed the relocation of labour-intensive industries as a promising option.



(Left) A delegate posing a question from the floor and (Right) Interpreters translating for the session.

Salahuddin, as moderator of the session, open the floor to questions from the audience. In response to a question on how Kazakhstan was attracting FDI, The Deputy Prime Minister of Kazakhstan spoke of two main factors that contributed to the favourable investment climate. The first factor was the presence of a customs union with Russia, providing access to a market of 200 million people. The second factor was the availability of raw materials within Kazakhstan, coupled with good infrastructure, electricity and a cheap gas supply.

When asked about the equity market in Kazakhstan, the Deputy Prime Minister stated that the equity culture was not very developed, and that efforts were in place to develop it within the business sphere. However, there are private equity funds that had been established with Chinese and Arab companies among others. He then explained that the economy is mostly based on banking and loans, and that Kazakhstan has a strong banking system in the region. During the financial crisis, the Government took from its National Oil Fund of USD 50 billion, and injected it to help the banking sector to support financial stability.

When asked about strategies to attract Non-Resident Bangladeshis (NRB) back to Bangladesh, the

Bangladeshi Minister reiterated that the government provides top priority for investments from NRB, giving them extra privileges over other investors. He also called for more NRB to come and invest in Bangladesh.

On the agriculture industry in Kazakhstan, the Deputy Prime Minister of Kazakhstan revealed that agriculture had always been profitable for investors, and that there are potential projects for investors. He explained that new agriculture policies were being developed, including the production of milk, Halal meat and vegetables. With 2.7 million square kilometres of land, water supply and an abundant labour force, Kazakhstan presented a good opportunity for profitable investment in the field of agriculture.

To a question on India’s efforts towards promoting green technology, the Indian Minister agreed that it involved improvement and innovation of technology across the board. He revealed that India’s intensity of carbon emission has reduced in the last 10 years, and that many major corporations were working in green technologies. He also revealed that India is currently looking into ways of providing mandatory and voluntary targets and guidelines to be applied to technology.



Forum
Day 2



Mr. Ebrahim Patel, CEO of Magellan Investment Management, South Africa.

Forum Day 2 Parallel Session 1:

Tapping Tourism Potentials: Putting Resources to Work

Mr. Ebrahim Patel, CEO of Magellan Investment Management, South Africa moderated the session and began by saying that the concept of tourism has changed over the years as a result of competition from various tourist destinations. He suggested the panellists should focus on how tourism can be utilised and leveraged as a new growth sector of the future.

H.E. DR. AHMED ALI SAWAD, MINISTER OF TOURISM, ARTS AND CULTURE, REPUBLIC OF MALDIVES, began by introducing Maldives as an island nation that has faced many challenges throughout history. In 1965, Maldives was a fishing nation. Tourism was deemed impossible due to its geographical isolation in the Indian Ocean. Despite those challenges, the early pioneers brought tourists from Europe as guests who enjoyed diving in the Maldives. Word of mouth soon spread about the paradise in the Indian Ocean and the tourism sector boomed in the 80s and 90s.

200 of the 1190 islands that comprise the Maldives are inhabited by Maldivians. Currently, 97 islands have been developed as resorts and more than 80% of these resorts cater to the high-end market.

The recognition of tourism in Maldives has significantly contributed to the economic development of the country. However, when the '1 island 1 resort' concept was developed, these investments were concentrated on inhabited islands that were eventually developed as resorts. Thus, accessibility to these islands became another issue.

Currently, 97 islands in the Maldives have been developed as resorts and more than 80% of these resorts cater to the high-end market.



H.E. Dr. Ahmed Ali Sawad, Minister of Tourism, Arts and Culture, Republic of Maldives.

Significantly, when the second international airport was built, logistical problems became a challenge as there were no highways to connect the airport to the resorts. The government came up with sea planes to ferry tourists from the international airport to the beach resorts. This in turn became a water safari and a tourist attraction for the visitors and to date, the Maldives has one of the largest sea plane fleets in the world.

He explained that to create a niche in the market, there was a constant evolution of the tourism industry and this has contributed to the great success of tourism in the Maldives. In addition, the Ministry of Tourism has acted as a facilitator and retained a very open market approach to the industry. Overcoming challenges was primarily based on response to supply and market forces and this has created room for the investors to develop an open market.

According to him, government interference in the tourism sector is only visible with reference to the environment. For instance, firm regulations state that development on every island is restricted to not more than 20% of the entire island size. As a result, there are vast unique resorts that have retained the natural look that the early tourists in the 1970s enjoyed.

H.E. MICHAEL MABUYAKHULU, MEMBER OF THE EXECUTIVE COUNCIL, MINISTRY OF ECONOMIC DEVELOPMENT AND TOURISM, KWAZULU NATAL PROVINCIAL GOVERNMENT, SOUTH AFRICA, began by highlighting the state of world tourism. While the world is emerging from the worst recession in decades, tourism has been badly affected by the global economic meltdown. He highlighted the latest data from the United Nations' World Tourism Organisation's barometer which indicated a gradual pick up in global travel.

He added that Africa had escaped the decline in tourism some destinations had seen, while other regions such as South America, the Caribbean and South East Asia did better than the world average of 7%. At the same time, economists worldwide are unanimous in the opinion that it is the emerging markets that will drive recovery from the recession. There are greater prospects of tourism mainly in the South East Asian and Caribbean countries that have seen a quick recovery from recession and positive growth than other regions. However, even before the recession, these countries had not begun to fully tap the potential of their individual tourism sectors and the reasons he cited are as follows:

- Unequal distribution of resources to market their countries' tourism offerings
- The negative perception (with regard to political, cultural and economic sectors) of most countries in the developing world
- Failure by developing nations, in particular to identify, package and sell their tourism offerings to prospective buyers
- Unfair competition practices from established economies
- Lack of cooperation (including inter-regional) among emerging markets when it comes to tourism
- Lack of innovation and creativity in positioning countries and their products in the world, and responding to the challenges of the time

In addition to the above-mentioned, he pointed out that tourism today has been affected by the global economic downturn which has put paid to the spendthrift attitude that may have characterised tourism in yesteryears. More and more tourists want an unforgettable holiday experience that may not necessarily include extravagance and opulence. In pursuit of this, they want almost borderless packages where they can freely move

from one country to the next. Also, today's tourist worries about global warming and seeks to associate with regions, countries and establishments that take this into account. And today's more discerning tourist demands service excellence. However, he outlined some possible solutions to the above issues and stressed that tourism is the new gold. The sector worldwide still employs 235 million people and is one of the biggest absorbers of the semi-skilled workforce. Governments therefore have a responsibility to prioritise the tourism sector.



H.E. Michael Mabuyakhulu, Member of the Executive Council, Ministry of Economic Development and Tourism, Kwazulu Natal Provincial Government, South Africa.



Speaker line-up of the first parallel session on the second day: (From left) Datuk Victor Wee, Chairman of Tourism Board, Malaysia, Mr. Ebrahim Patel, CEO of Magellan Investment Management, South Africa, H.E. Dr. Ahmed Ali Sawad, Minister of Tourism, Arts and Culture, Maldives and H.E. Michael Mabuyakhulu, Member of the Executive Council, Ministry of Economic Development and Tourism, Kwazulu Natal Provincial Government, South Africa.

Countries and other stakeholders have a responsibility to consistently re-invent themselves and polish up their offerings in order to remain competitive. While countries and regions must continue to compete for tourists, many can gain better success through collaboration and cooperation. Stakeholders including governments need to invest in tourism. Since cultural and religious tourism have emerged as the most lucrative strands within the tourism sector, Africa, the Middle East and Asia have a number of attractions that can benefit from this. Other than that, emerging economies need to collaborate in dispelling the myths and misconceptions about their countries' tourism capabilities.

He concluded by saying since South Africa would be hosting the FIFA World Cup, it would offer an opportunity to welcome the world to African shores.

DATUK DR. VICTOR WEE, CHAIRMAN OF TOURISM MALAYSIA, began by responding to a question posed by the moderator, Ebrahim, and said that branding 'Malaysia truly Asia' was a success and tourism became a big industry and the second largest after manufacturing in the country.

He said Malaysia's attraction as a tourism destination is manifold. Geographically it taps both the Asian and European markets. Secondly, its diverse ethnic composition lives up to the tagline, 'Malaysia truly Asia.' Malaysia enjoys the "summer" all year round and has attracted tourists who wish to escape from the cold winters in the northern hemisphere and hot summers in the Middle East.

The development of rural tourism in Malaysia through the Homestay Programme saw the arrival of visitors to the country doubling within a year.

Apart from that, Malaysia has introduced varied tourism products such as the 'Malaysia My Second Home' programme that allows visitors to stay on a 10 year multiple entry visa, education tourism, medical tourism, sports tourism, mega sales, ecotourism and food tourism. Other plus points he mentioned include Malaysia's excellent infrastructure, growth of the first low-cost carrier Air Asia and favourable exchange rates, which makes Malaysia an attractive place for shopping.

He elaborated on Malaysia's tourism success story which he said gathered steam after the financial crisis in 1997-1998 when tourist arrivals fell to 5.5 million. Once the government realised the potential for growth in the tourism sector, several campaigns were planned and launched including the 'Malaysia truly Asia' and the Visit Malaysia' campaigns. Within 1 year, the arrival of tourists to the country brought in RM 10 billion (USD 3 billion) in tourist revenue to the country. These campaigns took over 3 years of preparation, and were a result of successful brainstorming sessions within the Ministry of Tourism, Tourism Board and key industry players.

One of the success factors of tourism in the country is the government's commitment to the industry. In addition to that, the development of rural tourism through the Homestay Programme saw the arrival of visitors to the country doubling within a year. This, according to him is reflective of Malaysia's commitment to sustainable tourism development and the environment. More private sectors too have taken the lead in tourism development such as Master Card, the partner in Mega Sales, Genting Group and Islamic group of hotels that have been supportive of Malaysia and established loans with SME banks that have provided attractive rates for tourism players.

According to Victor, for tourism to thrive in any country, there must be political stability and security, introduction of good tourism products and innovation in packaging these products for the new markets. Government policies must be supportive in providing the amount of budget allocation for the industry. He concluded that the Ministry must be supportive of the industry and should provide good infrastructure, education to the people on the values of environmental protection as well as sustainability and investment in human resources because the capability and capacity of moving upmarket depends on the quality of the people in the industry.



Datuk Dr. Victor Wee, Chairman of Tourism Malaysia.

Ebrahim, as moderator of the session, opened the floor for a Q&A session. A question was asked by a delegate regarding the best option for implementing tourism products; to do it where the revenues are high or to bring employment to a region where it is needed.

The Maldivian Minister of Tourism, Arts and Culture remarked that to address that question, the government planning agency has to implement a delicate balancing act. This is an issue that needs a balanced distribution of resources and balanced distribution of opportunities.

When tourism plays a significant role in the economy like in the Maldives, it cannot be isolated from either the overall national economy or the regional distribution of natural resources.

Between these two, there has to be a delicate balance, for at the end, the government has to revert to market forces. When the market forces are left to impact on this, the mobility of resources is permitted. He stressed that the question of balancing and distributing it is best left to market forces. There is an organic process to it which needs to be considered.

The South African Minister replied that one must understand tourism as a global industry and agreed with the Maldivian Minister that there is an organic process which should allow for the tourism industry to develop. In South Africa and in the African continent in general, there are the developed and undeveloped communities. Therefore, there is no way that tourism can flourish without taking into consideration the impact of poverty in the communities and the distribution of resources in the industry.

Victor explained that the tourism industry is becoming an important sector for many countries. To this extent, one must look at tourism as a revenue generator that can contribute to income and employment. These are 2 reasons why the tourism industry should be developed and it is possible to develop the tourism industry based on the current resources. He added that if the tourism

development is concentrated on one particular part of the country, there will be problems because the economic benefits are not spread to the people creating the products. For example, tourists are brought to Kuala Lumpur which offers modern services, but are also introduced to rural areas via the Homestay Programme. This in turn will help alleviate poverty and enhance rural income. He also highlighted the possibility of using 'tourism disadvantage' as a feature of tourism. An example of this is the launch of the annual Monsoon Cup in Malaysia, which has attracted sailors from all over the world. The first seeds of the Monsoon Cup were planted by the former Malaysian Prime Minister, Tun Abdullah Ahmad Badawi during a fishing trip in Terengganu. He thought the monsoon season should be used as an



A discussion between two participants during the first parallel session on tourism.



Mr. Ebrahim Patel, moderator of the session coordinating questions from the floor to respective speakers.

advantage to the state and his people, rather than being seen as a hurdle. The economic objectives include making the Monsoon Cup a catalyst for development in the state and to create economic opportunities in the services and manufacturing sectors related to the event.

Another delegate asked how the Bangladesh Government could use the frequent monsoon floods which hit the country to the advantage of the tourism sector. He also requested suggestions by Malaysian Tourism to help initiate a programme to enhance tourism in Bangladesh.

Victor replied that Malaysia does sign a Memorandum of Understanding (MOU) with countries to help develop strategies for the tourism industry. This would cover some areas such as training, brainstorming and turning some of the features to an advantage. He advised that

the Bangladeshi Tourism Board could utilise tourism diversity to their advantage and where Malaysia is concerned, there can be some exchange of expertise between both countries for the benefit of the region.



Mr. Mark Millar, Managing Director of MPower Associates, Advisor of the Hong Kong Logistics Research Centre and Chairman of the International Relations Committee, Hong Kong Logistics Association.

Forum Day 2 Parallel Session 2:

Integrating Logistics: Building Competitiveness in Freight and Transport

Mr. Mark Millar, Managing Director, MPower Associates, Advisor, Hong Kong Logistics Research Centre & Chairman, International Relations Committee, Hong Kong Logistics Association, was the moderator for the session.

H.E. ISAAC MUSUMBA, MINISTER OF STATE FOR REGIONAL COOPERATION, UGANDA, in his keynote address, pointed out that as the GDP of economies grow, the demands for goods movement will outstrip the rate of improvement to the physical infrastructure and other factors that influence movement of goods. He stressed that the GDP growth of economies is heavily influenced by the ease with which goods are transported and freighted.

Logistics concerns the efficient flow of raw materials, work in process of inventory and finished goods from the supplier eventually to the consumer. Logistics includes not only transportation but also inventory control, warehousing, material handling and related information activities involved in the flow of products. The integration of these activities depends on the demand.

He went on to advocate the importance of Africa in the logistics industry. The relationship between quality of trade services and GDP can be seen in Africa, which he believes is an emerging market of 1 billion people, making it 14.6% of the total world population. Africa has a Muslim population of 400 million which makes up about 50% of the continent's total population. There are 28 countries that are members of the OIC, making it the continent with the biggest number of OIC member countries.

At present 80% of freight and 90% of passenger traffic is transported via the road network in Africa.



H.E. Isaac Musumba, Minister of State for Regional Cooperation, Uganda.

He went on to quote some statistics showing the higher cost that Africa bears in comparison to the rest of the world.

According to the United Nations Commission on Africa (UNECA), freight charges by rail in Africa are 200% more compared to Asia and 150% more compared to Latin America. Air transport is nearly 400% higher than in the Far East, transportation between ports costs twice as much as Europe.

According to the United Nations International Conference on Trade and Development (UNCTAD), Africa’s international transport cost at 12.6% is double the World’s average of 6.1%.

High transport costs he added are part of the greater logistical hurdles, including timeliness of shipments, poor infrastructure, and low levels of IT development. Africa also has the highest number of sovereign states that are not integrated, making it costly to transport freight across several customs points.

Unlike in other parts of the world, the Minister said railway traffic in Africa has declined due to lack of investment. He stressed that the OIC should implement a railway across Africa. At present 80% of freight and 90% of passenger traffic is transported via the road network. Almost one fifth of the 1.2 million road traffic accidents reported worldwide, were on African roads. African countries bear enormous transportation costs in terms of accessing foreign markets. On average, transport and insurance costs make up 30% of the total value of

exports of which landlocked countries have to endure the largest cost. This compares unfavourably to 8.6% of the developed countries.

Maritime transport makes up a large percentage of transport for moving freight to and from Africa, of which 92% accounts for Africa’s external trade. Africa has 90 major ports, along with ports for tourism and fishing, 6 ports in Egypt and 3 in South Africa. He expressed regret that sea piracy was active and said in 2009, there were 406 pirate attacks off the coast of Somalia.

Africa is also faced with inadequate human and institutional capacity. Africa lacks institutions that have appropriate powers and technical capacity to formulate, plan and manage infrastructure development and services, as well as to regulate and enforce policies. There are problems like international shipping cartels and Africa’s low-value and bulky raw materials which contribute to high unit cost.

He concluded by urging that investments should be made in Africa in terms of logistics and transportation, so that trade increases and trade imbalances are reduced. Africa is a large market and profit can be made for all. Africa is addressing some challenges such as regional integration, legal regime, infrastructure and efforts are being made to improve IT accessibility through an underwater sea cable.

MR. PAUL W. BRADLEY, CHAIRMAN AND CHIEF EXECUTIVE OFFICER OF CAPRICA INTERNATIONAL, SINGAPORE, began his talk by describing how when he left the US two decades ago, it had the greatest logistics infrastructure, along with the newest models and latest technology. Today, he strongly believes that the future of the global supply chain lies in Asia with the largest manufacturing base in the world and the largest consumer market. Asia, he believes, will drive the latest experiments in supply chain management and will also have the latest infrastructure.

He said 98% of all logistics companies only do logistics; namely moving a product between 2 points. Today



Mr. Paul W. Bradley, Chairman and CEO of Caprica International, Singapore.

however, the cutting edge companies are doing supply chain management. Dell Inc. is doing demand chain management, instantly replenishing consumer demand. Six years ago, Dell used the same factory source as HP and Compaq, but Dell had 7 days inventory worldwide while HP had 47 days inventory. He pointed out that the difference in the supply chain was USD 315 on a single laptop, thus Dell made more money. McDonalds only has 1 day inventory in Asia and uses the Pacific Ocean as its main warehouse, thus saving USD 60 million. The supply chain is now moving to the demand chain, and he predicts that we will move to a whole new concept called dynamic value network, as so many entities are involved in the manufacturing and delivery of products worldwide.

He also mentioned the introduction of regional supply chain hubbing which has changed the Asian logistics landscape. Instead of holding products in Malaysia, China and Hong Kong for example where each country



Mr. Ahmad Luqman Mohd Azmi, Senior Manager of Regional Sales for MASKargo, Malaysia.

holds 2 or 3 months of inventory, now products are brought into one hub from various companies. The hub will feed the product to everyone on time. In this way, products can be moved across Asia very quickly, saving millions of dollars in inventory. The Fortune 500 companies are using this concept and are succeeding, given that they are using a single point of contact, a single coordinator and a single information system.

A major transformation is going on in the global market landscape. He predicts that in 4 years time, India will be the 5th largest retail market in the world. In 10 years, China will be the largest consumer market in the world, with US being the second and India being the third largest.

India has a high logistics cost which makes it difficult to work with. The national highway system makes up only 4% of total roads; but 44% of all traffic volume are on the roads. Therefore, even if the number of highways in India

is doubled, products will still spend too much precious time on choked road networks.

Paul explained how his company, Caprica International, introduced a new concept for free trade in India in the shape of free trade warehouse zones. They are essentially logistics parks, 250-300 acres each, which offer on-site customs, repackaging and relabeling facilities. It was decided to have these warehouses in five strategic hub areas, namely Chennai, Mumbai, Delhi, Calcutta and Nippur. Railroads were then built to make it easier to move imported products across India. They are building 35 distribution centres right on the railway, so products can be repackaged and re-labeled.

He concluded by saying supply chain management is changing the way products move across the world, it is the most creative way of changing economies. He highlighted his belief that Asia drives the way for supply chain management, and with regional hubbing, virtual manufacturing, and creative ways of moving products, this can change the way products move across countries and continents.

MR. AHMAD LUQMAN MOHD AZMI, SENIOR MANAGER OF REGIONAL SALES FOR MASKARGO SDN BHD, MALAYSIA, believes that the problem with connecting all hubs is the fact that such a business can only manage a profit margin of 4-6% on a good day. The challenge is therefore how to make such a business viable, considering the high equipment and operations costs. From 2000-2009 the airline companies have lost about USD 52 billion. He said this is because the market is flooded with capacity. The airlines are now opting for freighters because they see a lot of changes in the cargo business. MASKargo for example, accounts for 20% of the airline's turnover.

He added that, the airline industry is volatile. For example, in October 2008, air freight trends were down and MASKargo had to lower rates. Last year alone, the airline industry lost USD 9.8 million. In February 2010, MASKargo had to cut capacity by 14%. However, they were able to capitalise on the situation and managed to recover the losses.

MASKargo made an investment on information management system as part of a 2-year transformation programme. The business used to rely on low

technology but is now a purely technology-driven business. With this programme in place, MASKargo can easily react to changes in market conditions and new demands. Overall, the airline business is very complex and thus, for one to survive, it must have a good system to remain consistent and competitive. In Ahmad Luqman's experience, investment in an effective information management system and a technology-driven business process is crucial to attain stability in the business.

MR. EDWARD CLAYTON, COUNTRY DIRECTOR AND GLOBAL TRANSPORT LEAD, BOOZ AND COMPANY, MALAYSIA, began by asking the question: how do we build competitiveness? He stated that the world's mega regions are becoming 'spiky', which signifies a high concentration of economic activity. Therefore one's competitiveness needs to be tightly integrated into the global economy. There is a need to get goods and products to these 'spiky' regions. Excellent logistics is no longer just an option for world class cities; it is a prerequisite for integration into the global economy.



Mr. Edward Clayton, Country Director and Global Transport Lead of Booz & Company, Malaysia.

Excellent logistics is no longer just an option for world class cities; it is a prerequisite for integration into the global economy.

Consequently small advantages in terms of logistics are magnified in terms of economic impact. Delays for example result in major costs.

The four areas he highlighted for competitive freight and transport are:

1. **Healthy Industry Ecosystem.** Dynamic and thriving service providers such as feeder services, agents, and competent staff are needed. There also needs to be a strong market demand for the services.
2. **Supportive and efficient government regulation.** There needs to be efficient regulation to facilitate and encourage government agencies such as customs and police.
3. **Flexible capacity.** To avoid a monopoly, there must be multiple providers of transport services using a variety of modes i.e. by land, sea, or air. They must be flexible enough to manage sufficient redundancy in order to handle peak events.
4. **Density of provision.** There must be multiple options to get cargo onto vehicles. It is important to have many flights to one or two key hubs in global networks. There must also be a wide availability of necessary infrastructure in place.

He concluded by reiterating the importance of these four areas and commented that should one of these areas not be taken into account, one cannot stay competitive in business.

MR. KONSTANTIN A. MARKOLOV, CHAIRMAN, ASTRAKHAN REGIONAL GOVERNMENT, RUSSIAN FEDERATION, pointed out the importance of the Astrakhan region and its geo-strategic location along the Caspian Sea, linking many countries such as Iran, Kazakhstan and Turkmenistan to the Russian Federation. He added that such location helped in creating the International Transport Corridor (ITC) North-South Route as an alternative to the South Sea Route.

He highlighted the advantages of the ITC North-South Route in reducing the distance between Bombay and Helsinki from 13,330 km (South Sea Route) to 6,554 km (ITC North-South Route), which made cargo transportation more effective, reducing the expected time of arrival from 35 to 21 days.



Mr. Konstantin A. Markolov, Chairman of the Astrakhan Regional Government, Russian Federation.



Speaker line-up of the second parallel session on the second day of the main Forum on "Integrating Logistics: Building Competitiveness in Freight and Transport".

He also mentioned the agreement signed by Russia, Iran and India two years ago during the 2nd Eurasia Conference on Transport, laying out a vision for a North-South Transport Corridor. The corridor stretches from ports in India across the Arabian Sea to the Southern Iranian port of Bandar Abbas, where goods then transit Iran and the Caspian Sea to ports in Russia's portion of the Caspian. From there, the route stretches along the Volga River via Moscow to Northern Europe. Other countries include Belarus, Kazakhstan, Tajikistan, Armenia, Azerbaijan and Syria, with Turkey and Ukraine expected to join in the near future.

He then announced the potential countries to join the above agreement as Saudi Arabia, United Arab Emirates, Kuwait, Indonesia, Sri Lanka, Malaysia and several European countries. He emphasised that such a project (ITC North – South Route) can be used as a motorway for Asian countries to deliver goods to Europe using Russia and Iran as transit points.

He also mentioned that the total capacity of the Caspian Sea at the current time stands at 70 million tons and the potential projects currently in development in the region will help shift the number up to 100 million tons by 2020. Cargo volume of ports in the Caspian Sea stood at 60 million tons in 2009. 11 million tons of this cargo is handled by the Astrakhan and Olya ports. Overall, the sea trans-shipment operations in the Caspian Sea are represented by these two ports which recorded a growth of 280% from 2008 indicators.

He concluded by reiterating the growth trend of the Olya ports in terms of cargos and trans-shipment since 2005. He duly welcomed foreign investment, in the form of government as well as private investments, to develop the region and build the first Halal hub promising special privileges to potential investors.

Forum Day 2 Parallel Session 3:

Empowering SMEs: Turning Size into a Comparative Advantage

Dr. Alberto G. Brugnoli, Founder and Chairman of the Board, Association for the Development of Instruments of Alternatives and Financial Innovation (ASSAIF), Italy, was the moderator for the session. He framed the discussion by saying SMEs are key to the development and social well-being of Muslim societies worldwide. Issues to be considered in his opinion included some of the challenges SMEs face such as access to finance, marketing, taxation, the culture of entrepreneurship and how it relates to the Islamic concept of 'Muamalat'.

DATO' HAFSAH HASHIM, CHIEF EXECUTIVE OFFICER OF THE SMALL AND MEDIUM INDUSTRIES DEVELOPMENT CORPORATION (SME CORP), MALAYSIA, acknowledged that SMEs form the backbone of economies in the world.

She suggested that small also means being agile. During the recent global economic crisis, a survey conducted in Malaysia showed that 84% of SMEs were not affected immediately by the financial shock. After the 1st quarter of 2009, three quarters reported being affected but by the third quarter, almost one tenth had staged a full recovery. SMEs are lean and can adapt to the business environment as and when it requires.



Mr. Alberto Giuseppe Brugnoli, Founder and Chairman of the Board Association for the Development of Instruments of Alternatives and Financial Innovation (ASSAIF), Italy.

SMEs in China, India, Taiwan, Malaysia and Brazil have now become global players in world trade, contributing an average of 30% to the global economy.

Another salient characteristic of SMEs she pointed out is organisational flexibility. Their small size allows them to be innovative, and be able to affect change easily in their organization.

Surveys show that when SMEs are compared with larger multinational companies, the latter retrenches more people in actual numbers.

Thirdly, she argues that SMEs are very innovative, which is a critical component for growth. She cites Korean SMEs as an example of how the culture of innovation can be developed to its fullest potential. Due to size and focus, SMEs have a personalized approach in their services and products. Customised products and

services, and the ability to create employment with minimal low-cost capital are well-known examples of how SMEs can turn their size into an advantage.

Dato’ Hafsah said the government is trying to encourage and provide support to local SMEs to enhance skill-sets and produce finished products to promote business growth. She pointed out how the growth of SMEs outpaced national economic growth due to the government’s well-coordinated and structured programmes.

SME Corporation encourages SMEs to further innovate, abide by Islamic business ethics and also take up Islamic financing so as to expound the concept of ‘Muamalat’ in business. She staunchly believes in the power of small things and is confident that when SMEs



Dato’ Hafsah Hashim, CEO of the Small and Medium Industries Development Corporation (SME Corp), Malaysia.



(Left) Mr. Tariq Sayeed, Chairman of the South Asia Association for Regional Cooperation (SAARC) and (Right) Delegates listening attentively to the discussion on stage.

collaborate more with each other, they will create a greater impact in the business world.

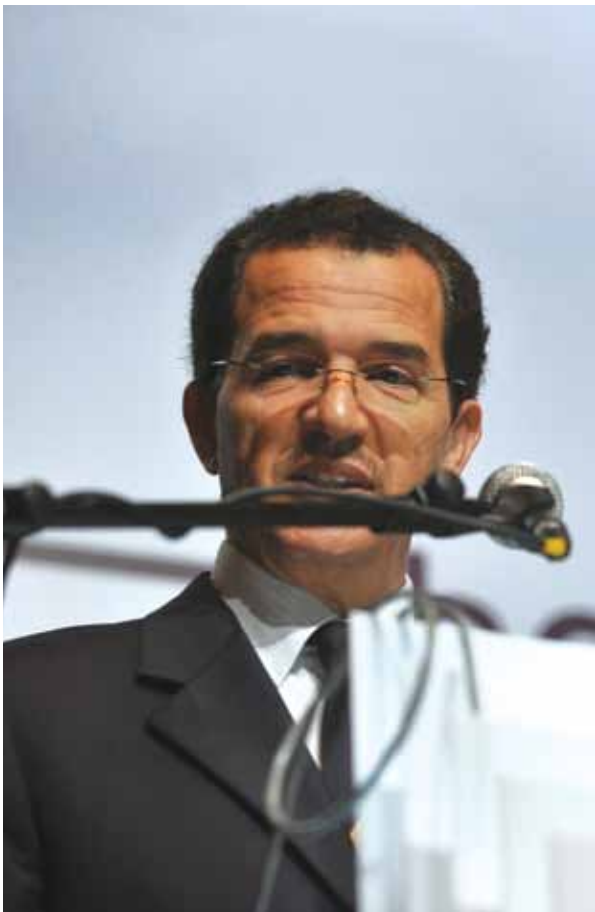
MR. TARIQ SAYEED, CHAIRMAN OF THE SOUTH ASIA ASSOCIATION FOR REGIONAL COOPERATION (SAARC), talked about the shift in global trade for the developing economies, the role of SMEs in the developing economies and how SMEs in these countries face up to the heat of globalisation.

He cited examples of China, India, Taiwan, Malaysia and Brazil as examples of how SMEs in developing countries have now become global players in world trade, contributing an average of 30% to the global economy. Successful developing countries have often opted for export-led growth strategies, diversifying from prime commodities to developing manufactured goods for export. This trend has been increasing so much so that in 40 years, it will give rise to the middle class in the developing countries. Based on future projections, the dependence of developing countries on developed countries would then decrease significantly.

SMEs form the backbone of a country’s economy and they contribute 60% in developing countries and 30%

in the developed world. In Pakistan, SMEs contribute to over 30% to the country’s GDP. The government of Pakistan has pursued a proactive SME policy based on innovative measures. He highlighted the fact that women all over the world play a significant role in SMEs and cited Pakistan as one of the few developing countries to have 5 independent women’s chambers of commerce. He suggested that SMEs in some Islamic countries and low-income countries should be promoted in order to jump-start economic development. Malaysia is a good example of how SMEs were developed to promote the economy of the country, and he suggested this model could be used by countries such as Pakistan and Bangladesh to do the same. Developing countries should strive to engage in specialisation and develop strong collaborative efforts to promote new opportunities. Emphasis should be given to identify new areas of competitive advantage and to develop new sources of growth to attain sustainable long-term economic development.

He concluded that all developing countries have enormous potential to grow. He hoped the success of the 6th WIEF would signal hope for the development of



Dr. Belaid Rettab, Senior Director of Economic Research & Sustainable Business Development, Dubai UAE.

SMEs and that the next decade could be dedicated to that process. Such a process would create new alliances among developing countries and OIC nations in particular, making them vibrant partners of global economic development.

DR. BELAID RETTAB, SENIOR DIRECTOR, ECONOMIC RESEARCH & SUSTAINABLE BUSINESS DEVELOPMENT, DUBAI CHAMBER OF COMMERCE AND INDUSTRY, UAE, stated that in the past SMEs were not well regarded. They have been seen as less important, not reliable, not sustainable and not creative. But he said this view is obsolete and countries around the world are looking at SMEs as serious partners for economic growth.

According to his research, many of the problems and challenges that SMEs are facing arise from a lack of information. He gave the example of funding and how banks and SMEs were not cooperating effectively, causing a gap between the two.

Because of this lack of understanding, some banks are charging SMEs interest of up to 20% on loans. This is because SMEs draw up their business plans differently. When a bank does not get the right information, the bank assumes that it is a risk factor and therefore charges the SMEs at a higher rate.

SMEs make important decisions on a daily basis and to make sound decisions, information is vital. Unlike larger corporations, SMEs often do not have the resources to conduct proper research.

He added Corporate Governance is one of the major challenges that SMEs face. Because SMEs have the necessary features to attract their respective niche markets, they should capitalise on that and be more responsive to the needs of their customers, their employees and the environment.

Sustainability is very important and encourages the management of risk for SMEs, in particular referring to their business practices that affect society. SMEs that are sensitive towards their society and environment would in turn gain considerable comparative advantage in their business.

MR. CHUNG TONG-SOO, FORMER HEAD, INVEST KOREA, REPUBLIC OF KOREA stated that SMEs have always been a big part of his work starting from his previous role in the US Department of Commerce up until his role as the Head of Investment in the Republic of Korea. As with other countries, he said that SMEs in the United States and the Republic of Korea are very important.

In Korea, SMEs account for 99.9% of all enterprises and they employ 84% of all employees in the country. They contribute to 50% of manufacturing either in terms of value-added or output produced. They also accounted for 31% of all exports in 2008 and they represent 26% of Korea's overseas investments. These numbers could be viewed in 2 ways. On one hand, he says that they could be interpreted as healthy numbers, but on the other hand, larger companies only account for 0.1% of enterprises. He pointed out that larger companies account for 69% of exports and half of the manufacturing output. All these figures naturally shed light to the question of whether such a situation is a healthy balance between large and small enterprises. Chung said it depends on the situation of each country. As for Korea, it is blessed to have large, highly competitive companies that have strong global presence and branding which are the leading forces at the forefront of innovation.

But as policy makers who are trying to develop the next 'Huang Zen' of Korea, it has been a continuous struggle to come up with the right policies to help SMEs grow. Thus a very important question in the mind of a

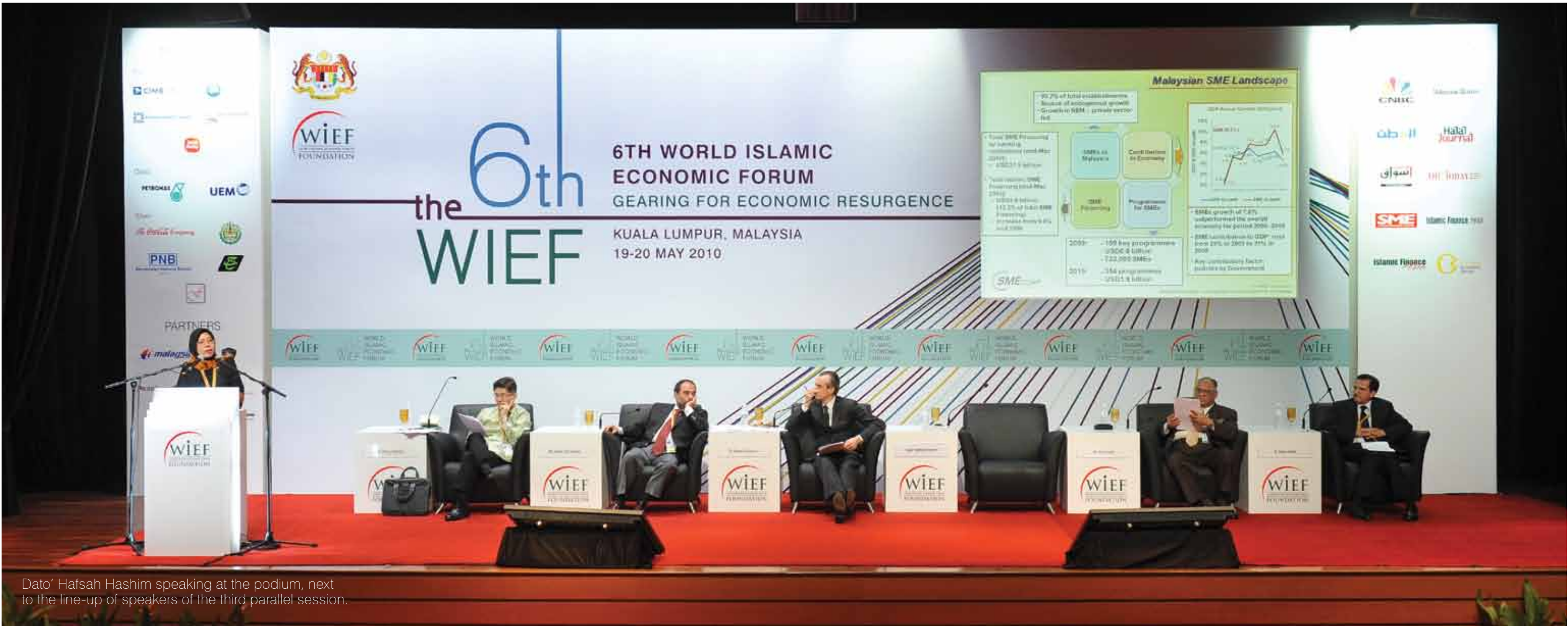
policy maker is whether or not it is a good thing if all SMEs remain as SMEs forever. At the end of the day, he surmised most SME owners would like to be the next Bill Gates and that should be the natural evolution of companies.

Microsoft and Google started out as SMEs but are now global companies. He believes that the US is considered unique because a small company could become a global company relatively quickly due to the right ecosystem that places strong emphasis on venture capitalists and also due to the large US market. If a company can conquer the US market, it has a greater chance of becoming a global brand or a global company. He added that it is not simply the case of conquering the market of any country. For example, even after conquering the Korean market, a company is still considered a local company.

Korea has had a number of policies which are currently focusing on companies that innovate. "Innobiz", a programme initiated by the Korean government in 2001, has over 15,000 participating Korean companies. The



(Left) Mr. Chung Tung-Soo, former Head of Investment, Republic of Korea. (Right) A delegate during the third parallel session digesting arguments posed by panel speakers on stage.



Dato’ Hafsa Hashim speaking at the podium, next to the line-up of speakers of the third parallel session.

government provides incentives, training, funding, and access to research and development. Immediately after the Asian financial crisis, the government started a programme to encourage start-ups. It was very active in 1998, 1999 and 2000, which led to a boom period of IT companies that did very well until the global IT bubble burst and more than half of those companies evaporated. The government then realised that it was because venture companies placed too much focus on technology and it led to a shift in focus onto “Innobiz” companies.

In Korea as in other countries, SMEs experience such problems due to the lack of financial and human resources, limited market access and minimal R&D and technological capacity. The government tries to address these issues in different ways, and Korea is relatively fortunate because it invests significantly in R&D.

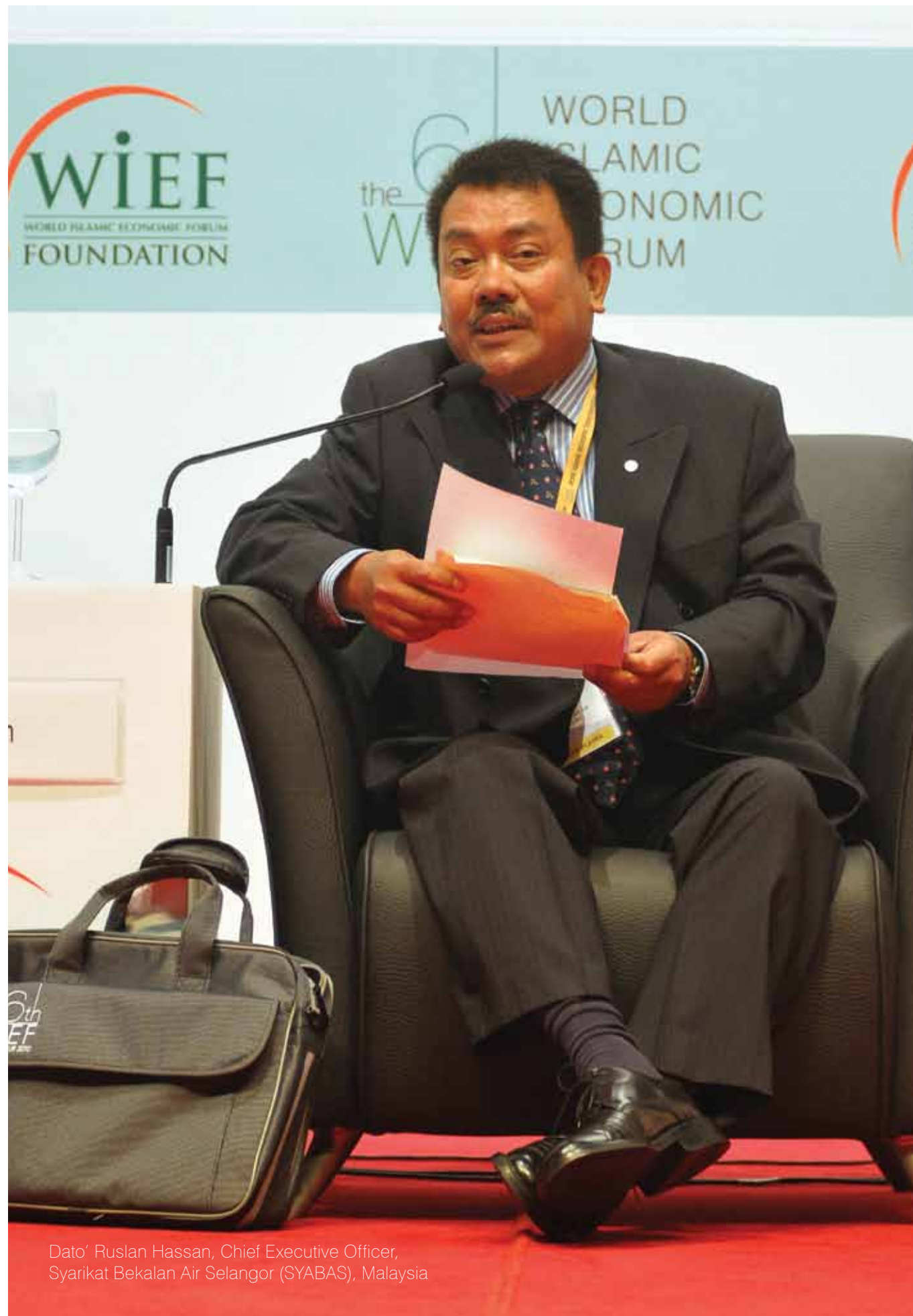
In 2007, Korea spent 3.21% of its GDP on R&D, making it one of the five largest global investors in R&D.

He believes that this has helped Korea become one of the leaders in innovation, thus helping in the development of SMEs.

Over the past half century, he said Korea has transformed itself from one of the poorest countries to one of the fastest growing and dominant countries. Several factors contributed to the country’s success; namely tenacity, zeal for learning, diligence, love for

information, willpower and a highly competitive society that does not settle for second best.

Chung concluded by sharing some global success stories from a book entitled ‘Google Speaks’ – The 5 things that people such as Bill Gates, Warren Buffet, Jack Welch, Ted Turner and Oprah Winfrey have in common are confidence, thinking outside the box, curiosity, imagination and courage.



Dato' Ruslan Hassan, Chief Executive Officer,
Syarikat Bekalan Air Selangor (SYABAS), Malaysia

Forum Day 2 Parallel Session 4:

Tackling a Thirsty World: The Business Case for Water

Dato' Ruslan Hassan, Chief Executive Officer, Syarikat Bekalan Air Selangor (SYABAS), Malaysia, was the moderator for the session.

MR. ROGER LANOUE, CHAIRMAN OF THE BOARD, INTERNATIONAL SECRETARIAT FOR WATER, CANADA, started by stating that private capital is scarce with regard to investment in water because it takes more than 20 years to see a return on such investment. He then proceeded to point out in his experience as Chairman of the International Secretariat for Water, and that it is only with grants and subsidies given by governments to businesses as part of infrastructure development that investment in water can be made profitable.

A development bank catering for infrastructure development, especially in poorer nations, is needed and he suggested it should work together with governments that have water conservation projects as mega-projects. These projects are classified as mega-projects because of the increasing population and water delivery problems faced by many developing countries. He then made the point that sustainable development of water resources for the poor is a necessity. He spoke about Benin in Africa, where the International Secretariat for Water used decentralised projects involving local villages and aided them in water collection and purification. This was done in cooperation with the Government of Benin. He reiterated the urgent need to empower the poor by providing them with clean drinking water.

Roger concluded by saying that water is God's gift and the placement of water pipes in the right places is man's duty. We all need to play our part in social justice.

Water is God’s gift and the placement of water pipes in the right places is man’s duty; this is social justice. We all need to do our part in social justice.

MS. ANTA SECK, DIRECTOR OF MANAGEMENT AND PLANNING IN WATER RESOURCES, MINISTRY OF URBAN DEVELOPMENT, HOUSING, CONSTRUCTION AND HYDRAULICS, SENEGAL, started her speech by pointing out some key issues affecting water infrastructure development:

- Strategic development of water resources.
- Mobilisation of the international community to the needs of populations dependent on water.
- Development that goes hand in hand with clean water provision.

She continued by pointing out that access to social services is important for the life of a population especially in a developing nation.

Another important point that she made was that agriculture in any developing country acts as the main consumer of water. It is then imperative to put the necessary policies to develop solutions to the problem of water. The reason is because water needs to be for all and we need to provide it as such.

She mentioned that a proper structured regime needs to be in place in order to have an adequate supply of water. The annual cost of Africa’s need for water is about USD 20 billion per year. She continued by saying that there are a lot of business opportunities in developing countries, especially with regard to water development activities.



(Left) Mr. Roger Lanoue, Chairman of the Board, International Secretariat for Water, Canada and (Right) Ms. Anta Seck, Director of Management and Planning, Water Resources Ministry of Urban Development, Housing, Construction and Hydraulics, Republic of Senegal.

There is a lot creation of polluted water, and this makes it difficult to treat. Due to the scale and magnitude of the problem, she urged cooperation between the private and public sector and said it was imperative to promote participation among the private and public sector.

She outlined that in Senegal’s water sector:

- There is more cooperation and initiatives with the private sector in both the urban and rural areas.
- Senegal still needs to improve its water storage capabilities. A case in point is that in Dakar most of the water comes from a reservoir that is situated 200 km away from the city via pipelines.
- Measures are being undertaken to provide water from other sources. Senegal is currently looking into treating sea water; however this is an extremely costly process.

In conclusion she said that the aim of the Senegalese government is to develop its water resources and invest in water and water-related technologies.

DR. KADRI OZEN, PUBLIC AFFAIRS DIRECTOR, EURASIA AND AFRICA GROUP, THE COCA-COLA COMPANY,

stated that in the earlier two speeches it was mentioned that water preservation was important and he continued by stating that at the Coca-Cola Company, it was their priority. The sustainability of water resources is very important as is access to safe drinking water. It has a very big effect on climate change, as there is an increase in droughts in some regions and greater flooding in other regions, all related to water. He urged governments worldwide to better understand water sustainability and scarcity issues.

Sustainability of water is reaching a critical level as all around the world the water quality is getting worse and water is under threat. The demand for water is greater than ever, the question remains on how to maintain an adequate water supply which is safe to drink and maintain our business interests as well. He added that



Dr. Kadri Ozen, Public Affairs Director, Eurasia and Africa Group of the Coca-Cola Company.

this is a defining moment in the world economy and lives of human beings.

Kadri said the Coca-Cola Company believes that it is everyone’s responsibility and right to safe and healthy water. There are over 100 countries in the world, which comprise half the world’s population that suffer from water deprivation.

How we manage climate change and water resources greatly affects businesses. The Coca-Cola Company has a responsibility to environmental sustainability and hence it intends to return to nature and the community every drop of water that is taken for the beverage and production purposes.

In the last few years, the Coca-Cola Company has increased its sales volume by 25% while at the same

time reducing the amount of water used. It has also undertaken to recycle more water. In India alone, The Coca-Cola Company has over 500 rain-water harvesting plants, and in countries where it does not rain, it runs social programs to offset its water usage.

He shared with the delegates ways in which the company fulfils the Turkish proverb that says, "Drop by drop, we will make a pond". the Coca-Cola Company:

- Runs a programme with UNDP called, "Every drop matters", which is a USD 5 million project and it covers over 12 countries
- Runs a major environmental programme with the WWF in Pakistan
- Currently works with UN habitat on an urban water renewal programme in India, Pakistan and Bangladesh
- Is the only private entity that has established water governance in partnership with the UNDP, and is supported by the Arab League
- Set up a programme in Africa called "RAIN", which involves providing over 2 million people in Africa with clean drinking water
- Runs a programme in Malaysia with the state government of Sabah and the Malaysian Nature Society (MNS) as well as youth volunteers to provide clean drinking water for villages

MR. ALI NAQVI, SENIOR MANAGER, INFRASTRUCTURE EAST ASIA AND PACIFIC, INTERNATIONAL FINANCE CORPORATION (IFC), started his speech by highlighting ways in which the private sector could narrow the supply and demand gap with regard to water.

The world population has increased by 300% over the last century and the demand for water has gone up by 600%. Over 1 billion people today do not have access to clean drinking water.



Mr. Ali Naqvi, Senior Manager, Infrastructure East Asia and Pacific, International Finance Corporation (IFC).

The world population has increased by 300% over the last century and the water demand has gone up by 600%. Over 1 billion people today lack clean drinking water.

It is a fact that water is a valuable resource; however he said it is not seen as being a valuable resource. The management of the water sector is very important in each country, especially in developing countries. The global financial crisis has made it harder to focus on the proper management of water as there is less money to improve infrastructure. This is made worse by inadequate reforms, corruption and a lack of transparency. For example, he mentioned that the full cost of water is hidden under taxes and subsidies, and hence the average consumer does not know the true cost of 1 litre of water.

He then pointed out ways in which water output could be increased:

- Increasing the water supply to consumers to deal with consumers' increasing demand. This is a difficult option to pursue due to limited water resources; however what we can do is increase the efficiency of water usage. We can refer to the Coca-Cola Company's effective use of water.
- By improving our efficiency in water production and management.
- Certain countries lack water resources; they need to increase agricultural import from countries that do not have water shortage problems and by doing so they can reduce their water consumption and use the available resources for more urgent water needs.

It depends on the situation of the country, whether it wants to use all of the above options or just stick to one that suits it best. The different options have different

costs and he said the important thing is to find the optimal mix.

In 2009, the International Finance Corporation (IFC) in partnership with 8 other companies published a report entitled, "Charting Our Water Future". The report focused on the cost of water supply. It was also highlighted that the cost of water from sources other than the desalination of sea water is between USD 0.05 to 0.10 per litre. Desalinated water costs USD 0.5 per litre.

He cited from the report a case study on India, whereby it had all the three aforementioned options available to it. The water gap could be closed through increased drainage and optimised fertilizer use. With the cheapest options selected, India would need to spend about USD 5.9 billion by 2030. However if only infrastructure related measures were selected as an option, India would be looking at spending USD 10.9 billion per annum. It is exciting to note that these figures show a lot of opportunities for investment in water treatment facilities in India and other countries; these can suit investors with a wide variety of investment appetites.

An increase in water supply is needed, and we need 5 times the current global infrastructure to handle water. He said that according to the IFC, consumers truly benefit when the private sector is involved in water related projects. An example is the IFC's project in Manila. Through the project, the IFC invested in a company called Manila Water, which distributes water to east Manila. During its inception 12 years ago it was given a 25 year concession and it has seen its initial customer base of 300,000 grow to over 1,000,000.



Speaker line-up of the fourth parallel session on the second day of the main Forum on 'Tackling a Thirsty World: The Business Case for Water'.

In the community served by Manila Water, water costs are down by two-thirds. In the past, in Manila, water was obtained from a source 2 to 3 miles away from residents' homes. Now it comes directly to residents' homes. This is a private sector success story. Additionally, with grant funding from the World Bank, Manila Water now has 1.6 million customers, the majority of whom are poor.

He emphasised that this type of investment in water can be used to expand business in India and China. In India alone, there is a population of 60 million that needs access to water for irrigation. He also said there is a need for more technology development in micro-irrigation systems and in water preservation. Ultimately he believes the cost of cleaning water will come down to USD 0.01 for each litre.

Ruslan, as moderator of the session, invited the audience to engage the panel of speakers with questions and comments.

Dr. Shainaka Hamid of University Malaya stated that research has shown that even sewage water can be transformed into potable water; and asked if that is possible, why is pond and river water not treatable. She

went on to state that Bangladesh needs to get a pilot project from the West, which can transform the water we have into drinking water.

Roger replied that NGOs can only lobby for a pilot project and provide the technology and that the financing should come from Bangladesh.

Kadri in response stated that in the case of Bangladesh, the Coca-Cola Company has the technology to remove poisons from ground and river water before it is used in the bottling process. The company recently offered to start a pilot project in Bangladesh and has made an agreement with UN habitat to build a water treatment project there. It has also allocated more finance for other projects in Bangladesh.

Ali replied that water should be stored, and can be used to generate power. He said PPPs were needed, where the government provides grants for the private sector to come and initiate a win-win situation.

In regards to a pilot project, he mentioned a facility called, "Infra-ventures" which looks to develop projects with private sectors. He concluded by saying it is critical to have a partner who knows this business.

Ms. Sofiah Suaad Jamil, from the audience asked what challenges lay in this multi-stakeholder operation approach. What are the challenges that are faced when dealing with the local community? Their concerns and were they overlooked? What are the challenges at the governmental level, and how they were dealt with?

Roger agreed with her that one can only work on these types of projects if there is a multi-stakeholder approach. All sorts of people have to agree, if funds come from an international development bank, approval is required from all the authorities, and the proper contracts with the private operators need to be drawn up and so on. He stated also that the user and their representatives need to be brought into the process as well. Bureaucracy is also to be blamed for the difficulty in dealing with user grievances, due to lack of or poor communication. Governments and big corporations must also empower the people.

Anta said that in Senegal, all the relevant parties and authorities are involved in the development of water-related infrastructure. This includes the government, the end users as well the various NGOs and residents or village associations involved.

Kadri added that no projects will be successful until all beneficiaries are involved. He said all projects should have a social component, and must involve the women and communities who can benefit from such projects.

Ali added to the discussion by saying that in the IFC's experience in water distribution, rates which are subsidised usually go up. The interesting point here is that poor communities do not complain when the rates go up, rather it is the middle class and rich who complain when the subsidies are lifted, as their bills go up. The poor population just wants quality water and is willing to pay for it.



Mr. James Beltran, Deputy Chairman of Melewar Holdings, Malaysia & Group Advisor of the Malaysian Reserve.

Forum Day 2 Parallel Session 5:

Islamic Branding: Myth or Reality?

Mr. James Beltran, Deputy Chairman, Melewar Holdings & Group Advisor, Malaysian Reserve, was the moderator for the session.

DR. PAUL TEMPORAL, ASSOCIATE FELLOW, SAID BUSINESS SCHOOL, OXFORD UNIVERSITY, stated that Islamic Branding is a reality. The Muslim population of 1.6 billion is one that is driven by religion and shared values. According to him, any brand that addresses Muslims is an Islamic brand.

He outlined '6As' that represent strategic challenges faced in Islamic Branding:

- Awareness (in cluttered markets)
- Accessibility (distribution, critical mass)
- Acceptability (accreditation)
- Adequacy (quality)
- Affinity (trust)
- Attack (competition)

He also acknowledged that there is no common standard for the Halal accreditation. The Muslim World encompasses different cultures, and varying levels of 'religiosity'. Halal standards are not global; hence there is a need for a unified standard.



(Left) Dr. Paul Temporal, Associate Fellow of the Said Business School, Oxford University and (Right) Mr. John Goodman, President of Ogilvy Group for South East Asia.

There are a lot of opportunities in the market for the Halal industry. Reuters predicts that the Islamic Banking and Finance industry will become a USD 1.2 trillion business by 2012.

He concluded that there is a misconception about the concept of Halal due to a lack of knowledge. On-going projects at Oxford on Islamic branding and marketing, are being held to provide education programmes for this cause.

MR. JOHN GOODMAN, PRESIDENT, OGILVY GROUP, SOUTHEAST ASIA, asserted that Islamic branding was a reality, and that brands are not owned by companies but by consumers. He then introduced Ogilvy Noor as the largest marketing communication group in Muslim countries involved in marketing and brand building for Muslim brands. He commented on how brands from the West and Muslim Worlds failed to connect.

He then spoke of a pioneering study undertaken on brands, Islam and Muslim consumers. Consumers from Malaysia, Egypt, Saudi Arabia and Pakistan participated in the study which uncovered a so-called 'new breed' of

consumers called the 'New Muslim consumers'. He said they are young, innovative, aware, driven by success, unafraid of challenges, and proud to be Muslim. They are high-tech, yet are not automatic accepters.

This report debunked stereotypes that are prevalent in the business world, which normally viewed Muslim consumers through the generational prism. 'New Muslim consumers' say that Islam provides the way forward. Religion is adapted to lifestyle. To the 'New Muslim consumers', respect and responsibility are integral to the brand. Other factors that are universally accepted are transparency, discipline, humility and purity.

After analysing different factors that affect Muslim consumers' behaviour, the Noor Brand Index was created as a standard of measure for Islamic Branding.

John concluded that companies need to understand what the consumers want and what they think about products and ideas. Only then can they create brands that people believe in and would subscribe to.

DR. ABDULRAHIM ABDULWAHID, CEO, MEDIA HUB INTERNATIONAL LLC, UAE, declared that the Islamic World today was at the stage of trust with regard to brands. In the past, there was confusion over the differences between Islamic and non-Islamic brands. He said Islamic brands were not at the same level as the established non-Islamic brands. Now Halal food has emerged as one of the most important Islamic brands.

He also pointed out a shift from the West to the East. This can be seen in countries like Saudi Arabia, India and China where there is strong infrastructure. The new trend shows that Saudi Arabia is one of the world's biggest consumer markets, and China is one of the biggest manufacturers of consumer products.



Dr. Abdulrahim Abdulwahid, CEO of Media Hub International LLC, UAE.

He singled out Malaysia and the UAE as key Islamic Finance hubs.

He then explained that Islamic branding can be classified in 3 areas:

1. Most common characteristics focused marketing and distribution : E.g. Halal food
2. Based on Islamic beliefs – involving travel agencies with regards to Hajj and Umrah, in their commercial values
3. Commercial products that use Halal branding purely for marketing, but not because of Islamic beliefs. These are very questionable.

With respect to the criteria of Islamic Branding, he said that Islamic brands need to be isolated from non-Islamic features. The main objective is to define the Islamic brand properly so that it reflects Islamic principles and guidelines clearly, and so that a difference can be seen. Examples include Islamic Banking and Finance and Halal food, where there are obvious differences.

To avoid malpractice, he added that Islamic brands should reflect Islamic principles and respect Shari'ah guidelines and not forsake them for profit. He suggested better Islamic Branding be facilitated through the provision of incentives and facilities. Islamic Branding should reflect values and not only focus on profits alone. This can be accomplished by purification in the business; the activities should reflect this.

- Islamic Branding can be encouraged through:
- Increased trust in the Islamic World.
 - Provision of incentives for Islamic Branding.
 - Provision of facilities for Islamic Branding.
 - Workshops and government education schemes to change the public perception.

He also stressed on the need to respect the traditions of countries with cultural sensitivity. He cited the failure of



Dato' Seri Jamal Bidin, CEO of Halal Industry Development Corporation (HIDC), Malaysia.

Coca-Cola in Afghanistan due to its usage of the colour red, which was locally associated with the earlier Soviet occupation. He added that authorities in the Islamic World should pay more attention to Islamic Branding, as it can lead to an Islamic renaissance in the future.

He concluded that Islamic Branding has a bright future but if it is not marketed properly, it will not be able to achieve the desired effect.

James pointed out that there is an increasing danger of the commercialisation of Islamic Branding, and the need for regulation is imminent. He then raised the question of whether there are mechanisms in place for this.

DATO' SERI JAMIL BIDIN, CEO, HALAL INDUSTRY DEVELOPMENT CORPORATION (HDC), MALAYSIA, questioned whether there was such a thing as Islamic Branding. He argued that one must look at the products being offered rather than just the brand. Any Shari'ah-compliant product would be Islamic, but it is a different matter to distinguish the brand. Brands do not certify or signify if something is Islamic or non-Islamic, rather it is the product.

The objective of the Halal Industry Development Corporation (HDC) is to re-brand 'Halal' from its current association with the slaughtering of animals, and with food products in general. He said the concept of 'Halal' is universal and must be integrated into every aspect of daily life, and is not just select products. It can be extended into cosmetics, pharmaceuticals, logistics, finance, and other industries. Halal should be advocated as a label for assurance in quality, cleanliness and safety.

In Halal certification, there are other requirements:

- Shari'ah-compliance
- Clean, safe and a minimum level of quality.
- Should promote wholesomeness, safety, and all of the above.

He said the Halal industry should not only target the world's 1.6 billion Muslims, but rather it should expand its focus to the entire world. There needs to be more awareness and education to overcome the narrow perception of Halal that exists around the world; this includes Muslim countries too.

In the market, the Halal industry commands USD 1.2 trillion in foods, services and other related industries. Out of this, 75% of the products come from non-Muslim countries. He cited examples of Australia being the world's largest producer of Halal meat, Thailand being the world's largest producer of Halal processed food, and Brazil being the largest producer of Halal poultry.

The Muslim population is growing, and there is also a growing awareness among non-Muslims to consume Halal products due to the 'wholesome factor'.

He elaborated that in order to develop the Halal industry among Muslim countries, the industry itself needs to be developed first. This is the awareness that needs to be propagated, as the industry development would not happen otherwise.

The Middle East is one of the biggest markets for Halal products, and it should reverse its role from being a major consumer to a major exporter.

He also expressed the desire to promote Halal as an Islamic brand targeted at a bigger market inclusive of non-Muslims, in order to increase the demand to a much bigger number than the current USD 1.2 trillion market.

He called on fellow Muslims to take forward the expertise to different countries, including China and India, making the Halal brand a global brand and not just confined to the Muslim World.

He concluded by saying that Muslims should be familiar with Halal (Islamic Branding) in choosing products. Halal is for all human beings, and in this industry, we do not need more borders, rather we need more integration.

MR. MARTIN ROLL, CEO, VENTURE REPUBLIC, SINGAPORE, began by saying that Islamic Branding is a constraint. He used the example of Samsung, which he said was successful not because it hails from Korea. Islamic Branding is a constraint, though it is becoming a reality. It is an opportunity too, but only within a Muslim community and not outside of it.

He stated the need for branding. According to him, a brand is an intangible strategic asset which can be used to create value. He stressed the need to elevate branding to the boardroom level, and not just to keep it confined to the marketing department. Each company needs to have a Chief Marketing Officer (CMO) and this mind-set needs to start at the top level.

How can marketing be made company-wide or strategic? He cited the example of Samsung, where its growth is attributable to the presence of the CMO from the beginning. The CMO of Samsung played a very important role in using marketing strategically to bring Samsung to its leading position today.

The brand pyramid consists of:

- Strong innovation
- Culture of leadership
- Service delivery

Brand leadership is demonstrated by marketing at the very highest levels. In addition, he also explained that the 'country of origin' effect is a very important factor in branding. There is no dispute on the perceived quality



Mr. Martin Roll, CEO of Venture Republic, Singapore.

of cars from Germany, cosmetics from France, or clothes from Italy. Brand and consumer relation can depend on the country of origin.

Denmark and Lego are a very good example. At the beginning, Lego tried not to be a Danish company, however later as Denmark became known for its culture of creativity, Lego became more willing to be associated with Denmark.

He noted that eventually the origins of the Islamic brand will be questioned. He said that Islamic brands should bring a new face to the Islamic world as well as something different to the marketplace. He also urged CEOs and governments to step up to lead this facelift from the top.

He concluded that there is a need to raise the bar in Islamic Branding and steer clear from complacency. There are opportunities and “it is time to repaint the roof when the sun is shining”.

As moderator of the session, James directed to the panel of speakers the questions: How do we measure Islamic Branding? Will it be carried away? Will there be a danger of over-commercialising?

In response, John agreed that Islamic brands are full of potential. In the past, there was a rise of Western brands and Asian brands, the next wave is Islamic brands - as Muslims are moving out of a trading mentality, they are looking more at quality and assurance. It is going to be a very big area for opportunities. Despite the existence of the ‘country of origin’ effect, the values of Islam are universally appealing emotional and virtuous values; thus applicable all over the world. Values must be kept, but must be adapted to the local wants and needs.

James debated the Shari’ah-compliance of Islamic Banking and Finance and whether this was a local issue, and whether there is a need for a global standard. Abdulrahim said that the problem comes from the top, not the bottom. The decision can be taken by the authorities. For Islamic Finance, it is the same. In his opinion, there is confusion on Islamic and non-Islamic products. In the last 5 years for example, commercial banks have been labelling certain financial products as Islamic, when in reality those products may not actually be Shari’ah-compliant. How can we tell whether or not products abide by the Shari’ah, and how do we convince the consumers? That is the real challenge.



Delegates enjoying a light moment during the session.



Some delegates paying attention to a question posed from the floor while others are digesting points mooted on stage.

Jamil commented that there are different schools of thought and they have minor differences in standards. He suggested that if Muslim countries can come up with certain core standards that can be universally applied, then each country can make its own supplementary standards - with reference to the different standards or laws for that respective country.

James asked if localisation of products would be necessary if there were common values in Islamic Branding. John responded by acknowledging that core Shari’ah values are widely understood and espoused. Many of the core values are relevant. In the Western world, they seek more transparency now, in the ways companies do business and where their profits go. In these ways, the Muslim World is ahead because it has been doing this for a long time.

A delegate, Mr. Azman Sulaiman from UEM Group Berhad, asked the Halal Industry Development Corporation what their strategy was on the best way to move forward if they were to narrow down their repertoire of products to particular product lines. Dato’ Seri Jamil,

shared with everyone HDC’s plan to focus on the following market segments:

- Processed food sector
- Halal ingredient industry
- Cosmetics
- Livestock
- Services:
 - Healthcare
 - Logistics
- Islamic Banking and Finance has been strong for the past 3 years. Approaching it in a holistic manner by using a Halal ecosystem to support it is unique in Malaysia.

Forum Day 2 Parallel Session 6:

Connecting Minds: Leveraging Technology for Training and Education

Professor Emeritus Dato' Dr. M. Zawawi Ismail, Chairman of Universiti Sains Malaysia, was the moderator for the session. He pointed out that leveraging technology for training and education was a pertinent issue.

He said the children of today behave differently from the way children used to be in the past. Currently children are taught to multi-task, learn online and are exposed to materials that transcend national and cultural borders, paving the way for them to become global thinkers.

In the future, daily life will be more complex and work life will be more advanced, therefore the question is whether it is right for the educational system to stagnate while society undergoes a dramatic change, he added.

Zawawi questioned the response of Islamic countries to this phenomenon. He pointed out that globalisation and the advent of the new media have brought a whole new concept of collaborative learning. He ended with the thought-provoking question "Are we, as a group of Islamic countries, committed to collaborating in education?"



Professor Emeritus Dato' Dr. M. Zawawi Ismail, Chairman of Universiti Sains Malaysia, the moderator of the sixth parallel session.



Dr. Haifa Reda Jamal Al-Lail, President of Effat University, Kingdom of Saudi Arabia.

DR. HAIFA REDA JAMAL AL-LAIL, PRESIDENT OF EFFAT UNIVERSITY, KINGDOM OF SAUDI ARABIA, considers this matter the most challenging and most rewarding issue since she believes it is an exciting time for education and a promising period for human advancement.

She said communication technology has made its way into the educational institutions and is now termed educational technology. This, she stressed, has changed the face of educational institutions around the world and has become the central basis for teaching and learning.

It helps recreate classroom learning experiences that bring teachers and students into a whole new realm of education, emphasizing on the inquisitive minds of the contemporary student. It also generates interdisciplinary collaborative teaching practices that result in improved student performance, along with more parental involvement. Access to such an environment can make teachers and students benefit as a community

and as global citizens, due to the seamless nature of educational technology, she said.

She expounded on three major technological trends that are helping educational institutions create more effective learning experiences:

1. **Mobility and accessibility:** ability to access information at all times
2. **Rise of digital content:** opportunity for teachers and students to publish their own works online
3. **Rise of social networks:** ability to communicate with anyone anywhere, as communication becomes limitless and borderless

Haifa urged that technology be used as a tool in the service of mankind but cautioned that, considering its unlimited power and possibility, it must be used properly and rationally.

Many sceptics have warned against the negative repercussions of technology, arguing that technology would make students less resourceful and proactive as it would be much easier for them to obtain resources online. The question also arose as to whether students would obtain appropriate materials from the Internet.

She brought forth the argument of whether or not technology would impede students' social skills as they get more and more dependent on it while completely reducing any necessity for human interaction.

Haifa opined that while these were indeed concerns, they were not major ones that would overwhelm the various benefits of technology. She stressed that technology was the best investment for the purpose of education, hence one must choose the best technology at the best price to benefit the community in the long run. This should be a top priority for decision makers since finding the most efficient tool for education is a

The best learning on problem solving is to be given a problem that the teacher does not know the answers to, so that the students would have to discover it on their own.

crucial task of leaders, who should keep this in mind when making decisions pertaining to education. She said we must not lose sight of the aim of technology to provide for a better learning environment for students to enhance their future and to create a strong correlation between good education and bright employment prospects, adding that real change takes time but one has to be patient to set up any path to improvement.

All in, she highlighted five major points in her presentation:

1. Understanding the capacity of technology advancement is the prime responsibility of leaders in this field.
2. There is a need for codes and standards in technological training for teachers and managers at all levels.
3. There is a need to enhance the knowledge of leaders in the use of technology in education development.
4. There needs to be institutionalised training at all levels of policy-making in order to develop sound policies on technological advancement in education.
5. The four key principles in the success of technology are: clear policy, sound strategy, good planning and strong leadership.

PROFESSOR WILLIAM F. MILLER, PROFESSOR OF PUBLIC AND PRIVATE MANAGEMENT, GRADUATE SCHOOL OF BUSINESS, STANFORD UNIVERSITY AND PRESIDENT AND CEO EMERITUS OF SRI INTERNATIONAL, said that it was not what we teach but how we teach that makes a difference.

He highlighted the need to move from facts and figures to problem-solving. Many students take up numerous types of jobs, often switching jobs to learn how to solve new problems.



Professor William F. Miller, Professor of Public and Private Management, Graduate School of Business, Stanford University and President & CEO Emeritus of SRI International.

Universities have the tendency to hire their own graduates, but in actual fact, cross mixing of graduates from other universities produces better results.

Problem-solving has become vital at this juncture and these students must know which problems to solve. They also need to understand that it is alright to fail since everyone learns by trial and error. This is very important exposure for the students. Learning new things becomes crucial to solving more complex issues in the future.

William said the best kind of learning on problem-solving is for students to be given a problem that the teacher does not know the answer to, so that the students would have to discover it on their own. Very few problems are solved by a single discipline, hence the student would need to scour across various disciplines to get the answer, enriching his mind and thought process along the way.

He urged that in order to achieve all these competencies, institutions must go through structural

changes, beginning with the building of connections between the different disciplines.

The mixing of disciplines and breaking down the barriers is very important. Research and graduate training should go hand in hand, as the most important discoveries are made whilst doing research. Therefore, they have to be provided with more resources and fewer restrictions.

He advocated competition between universities, saying that competition makes people better, and pointed out that universities, which have a tendency to hire their own graduates, should look to hire from other institutions as well, as cross-mixing of graduates from other universities produces better results.

Speaking on innovation in educational institutions, William said presidents, for example, should have the opportunity to innovate. They should not have restricted



Speaker line-up of the sixth parallel session on "Connecting Minds: Leveraging Technology for Training and Education".



Datuk Badlisham Ghazali, CEO of Multimedia Development Corporation, Malaysia.

terms of office because educational programmes usually take time to take root and sadly, there are insufficient incentives to see them through to the end. The board of trustees should also have the freedom to allow them the opportunity to innovate. He concluded with the statement that we should conduct experiments in not only what we teach but how we teach.

DATUK BADLISHAM GHAZALI, CHIEF EXECUTIVE OFFICER OF MULTIMEDIA DEVELOPMENT CORPORATION, MALAYSIA, while discussing the implementation of technology in schools, said the programme to develop Smart Schools started in 2003, with the necessary hardware ready in 2005. He expressed the hope that the programme would be in full swing by 2013. Exposing children to technology at an early level will change the fundamentals and the type of technology being used in educational institutions. There are several objectives to the Smart School programme including effective communication, critical thinking and problem solving, collaboration, technology, and media literacy.

Schools are now using effective e-communication tools to share information amongst students, teachers and parents. At least 50% of teachers now integrate ICT into their teaching.

Collaboration is a fundamental part of the programme. Among the challenges faced by this programme is measuring the outcome and results. Unfortunately, there are no global standards, so there is a certain amount of uncertainty in measuring its success, he said.



Datuk Mohamed Azahari Kamil, CEO of Asian Finance Bank, Malaysia and moderator of the session.

Forum Day 2 Parallel Session 7:

Ethics in Business: Balancing Bottom Line and Good Governance

Datuk Mohamed Azahari Kamil, Chief Executive Officer, Asian Finance Bank, Malaysia, was the moderator for the session.

MR. HISHAM HAMDAN, MANAGING DIRECTOR, ENERGY AND UTILITIES DIVISION, SIME DARBY BERHAD, MALAYSIA, outlined the importance of goal-setting in business conduct.

He said many CEOs face pressure when the board members insist on higher business growth to be achieved within a targeted timeframe without sacrificing integrity in the process.

All this pressure leads to a sole goal which is to attain the targeted growth and deliver the figures; compliance issues are usually overlooked in the process, he stated. This is the usual day-to-day scenario in many corporations, where performance is the main goal, but integrity and corporate governance are somewhat neglected.

Hisham urged all parties to move forward and understand the importance of integrity which goes a long way.

Corporations should ensure that their systems, operations and culture conform to desired business principles. Shortcuts and bending the rules in business are downright unethical; ethics in business must be implemented by example, starting from the board and top management. Once this culture is inculcated, subordinates and employees will indeed follow suit.



(Left) Mr. Hisham Hamdan, Managing Director, Energy and Utilities Division of Sime Darby Berhad, Malaysia and (Right) Dato' Johan Raslan, Partner and Executive Chairman, PricewaterhouseCoopers, Malaysia.

It is a common fact that the top management of corporations is often faced with challenges in balancing good business ethics with maximising shareholders' value. The challenging macro & micro conditions usually pressure shareholders into demanding higher returns.

This then makes the shareholders impose a high KPI (Key Performance Indicator) or goals to meet the financial returns. At times, an unprecedented shift in corporate culture throws the uncompromising "Do or you are done!" challenge.

This leads to imprudent staff behaviour, where there is unnecessary risk taking and careless execution of tasks, because they were ordered to get the job done, by all means, he said.

Hamdan stressed that combining high performance with high integrity creates accountable leaders and infrastructures with sound moral integrity. Unethical business practices exist due to the lack of communication between shareholders, board and management.

Pointing fingers is pointless, but having a thorough understanding of the roles for each level would reduce unnecessary pressure. Management must also constantly communicate with the shareholders on what is achievable within a specific timeframe.

DATO' JOHAN RASLAN, PARTNER AND EXECUTIVE CHAIRMAN, PRICEWATERHOUSECOOPERS, MALAYSIA, questioned whether those who expand their businesses abroad to enter new markets, have what it takes to operate in these foreign countries.

Do they listen to the locals and give out bribes because that is how business is conducted there? Do they follow the herd or do they abide by the rules? One must always consider the reputation of the firm in everything one does.

Unethical practices would not just tarnish the reputation of the company, but it would affect the industry as a whole, he pointed out.

He also highlighted the issue of Generation Y - 'the young lot' - and their ambition when it comes to climbing the corporate ladder. This placed a huge responsibility on leaders when it came to guiding them through the ethics of how to conduct business in an appropriate fashion.

Speaking on corruption, which has reared its ugly head amongst corporations all over the world, Johan said it hinders development.

Although in some societies corruption is treated as a taboo and a sensitive issue that should not be openly discussed, it is actually a subject that should be highlighted. People tend to point fingers and blame those who accept bribes when people who give bribes are also in the wrong.

MR. SIGVE BREKKE, EXECUTIVE VICE PRESIDENT AND HEAD OF ASIA OPERATIONS, TELENOR GROUP, NORWAY, professed that there was no balance between business ethics and the bottom line. He said the two issues should go hand in hand.

Telenor, a global provider of telecommunications services, originated from Norway and has been in the



Mr. Sigve Brekke, Executive Vice President and Head of Asia Operations of Telenor Group, Norway.

market for the past 15 years. When Telenor started to go global 15 years ago, it made business ethics a culture.

He pointed out that business ethics is about communication, culture and systems, thus Telenor built its business ethics and philosophy through:

- 1. Values:** Being respectful, keeping promises, simplifying things and being inspirational. A person will not be considered for recruitment if he or she fails to subscribe to these values.
- 2. Leadership expectations:** A person will not be a leader or will be promoted in Telenor if he or she fails to have a passion for the business. Employees should constantly improve and change according to the situation. They are also required to have the ability to empower people and have integrity and accountability. Non-compliance to these values may lead to a person being laid off.
- 3. Code of conduct:** Is the core internal principle and ethical standard that creates value in the company. The code of conduct should be easy to comprehend and memorise. Telenor constantly reminds its employees about the code of conduct to emphasize on its importance.
- 4. Health, Security and Environmental issues:** Telenor believes that values should not just apply to themselves but also to their surroundings. Telenor expects safe working conditions to conduct safe business. Telenor's vendors and suppliers need to sign an agreement which requires them to comply with the company's regulations.

DR. A. RIAWAN AMIN, CHAIRMAN, ASSOCIATION OF ISLAMIC BANKING INDONESIA, shared a verse from the Holy Quran: "For everyone, for every 'Ummah', for every nation, they have a 'qiblah' or direction to head to."

He also quoted from the Vatican's official newspaper 'Osservatore Romano' dated 6th March 2009 which said: "The ethical principles on which Islamic Finance is based may bring banks closer to their clients and to the true spirit which should mark every financial service."



Dr. A. Riawan Amin, Chairman of the Association of Islamic Banking, Indonesia.

He emphasized that no matter how different religions are, every one of them has the same direction or goal; to create profits that can be shared.

He stressed that some of the values that should be adopted are fairness and transparency, which can bring about a positive change in the relationship between financial institutions and their customers.

Although the Islamic Finance industry often talks about 'good governance' the existence of greed tends to hinder the process. As an example he pointed out that an honest man who is also a gambler is bound to be a combination for doom.

He added that doing business in the environment of 'Riba' or 'usury' is deemed as unethical by Muslims and Christians.

When A. Riawan was involved in Muamalat banking (Islamic banking), he said there were three significant values that covered all the basic practices, and still do.

These values are derived from the Holy Quran:

1. Worship: Having a qiblah or direction, to refer back to the Creator.
2. Wealth creation and distribution: Creating wealth and profit to be shared equally in business.
3. Warfare: Going against usury and corruption.

He quoted Pope Benedict XVI in a speech dated October 7 2009, reflecting on the financial markets which were crashing: "Money vanishes, it is nothing. The only solid reality is the word of God."



Speaker line-up of the seventh parallel session on "Ethics in Business: Balancing Bottom Line and Good Governance".

Forum Day 2

Parallel Session 8:

Islamic Banking and Finance: Riding the Wave of Economic Transformation

Mr. Iqbal Khan, Chief Executive Officer, Fajr Capital, UK, was the moderator for the session.

TAN SRI DR. ZETI AKHTAR AZIZ, GOVERNOR, CENTRAL BANK OF MALAYSIA noted the recent global financial and economic crisis which had resulted in losses for corporations and individuals across the world.

With the global economy now on the road to recovery, attention has turned towards securing a more permanent solution in shaping the global economy of tomorrow that would avoid such crisis in the future. Islamic Finance provides the discipline that enhances the prospect of strengthening the global economy and overall financial stability, she said.

During this period of turmoil, Islamic Finance's relatively better performance and sustained momentum of growth exemplifies its inherent strengths – strong linkage to productive economic activity, emphasis for accountability, disclosure and transparency, in-built checks and balances. It is these strengths that underpin Islamic Finance as a stable form of financial intermediation.

She argued against the financial flows that are destabilising and does not contribute to generating real economic activity and pointed out that although the amount of funds managed in the Islamic financial system is still only a fraction of the total assets of the international financial system, it represents that portion of financial assets that is truly supported by underlying productive capacity that generates growth of economies across continents.



Tan Sri Dr. Zeti Akhtar Aziz, Governor of the Central Bank of Malaysia.



Mr. Iqbal Khan, CEO of Fajr Capital, UK and moderator of the session.

To reform the international financial system the international community has to address the broad range of weaknesses that has contributed to the recent crisis and to restore confidence in the integrity of the global financial system.

She said for this to happen, a new financial regulatory framework needs to be developed. This framework is to provide greater emphasis on ethics, fairness and accountability and promote global economic, social and environmental sustainability. There should also be a balance of supporting growth and maintaining financial stability.

Zeti added that this has always been reinforced by the strengthening of macro-prudential regulation which called for the promotion of a more integrated approach to the regulation with substantial strengthening of the macro-prudential elements of financial regulation.

The crisis has demonstrated that the collective behaviours of banking institutions and other highly leveraged institutions had contributed to the material build-up of risks in the financial system which ultimately in turn undermined financial stability. It was also recognised that the existing regulatory framework was insufficient to address systemic risk.

One major concern is the unintended consequences that could impair the vital role of the financial sector caused by the standardisation of the regulatory reforms. There must be a balance between long run financial

stability and its potential increased costs to financial intermediation, she added.

Calling for the adoption of regulatory and supervisory systems that are more forward-looking and responsive to risks, she said there was a need to have in place appropriate incentive structures for financial institutions to prudently manage risks and strengthen conditions for market discipline to take effect.

She said that while the Islamic financial system has generally performed well during this global financial crisis, several valuable lessons can be drawn.

She cited a report by a Task Force on Islamic Finance and Global Financial Stability, 2009 which identified conceptual elements inherent in Islamic Finance and considered eight areas for strengthening the financial infrastructure of Islamic Finance:

1. Ensuring the effective implementation of the prudential standards
2. The development of systemic liquidity management infrastructure
3. The establishment of strong financial safety nets
4. Putting in place an effective crisis management and resolution framework
5. Strengthen further the accounting, auditing and disclosure standards
6. Having an effective macro prudential surveillance in place
7. Having credible credit rating institutions and processes
8. Enhancing close international cooperation and coordination among countries including in capacity buildings and talent development to support efforts at the national level to ensure financial stability

She reminded the delegates that Islamic Finance does not exist in isolation as it is becoming an increasingly important component of the global financial system.

Islamic Finance will be impacted by the changing global landscape of financial regulation. Growth will be in terms of number of service providers and business volume as the internationalisation process continues.

Therefore, there is a need to intensify efforts that have already been undertaken to strengthen the financial regulation for Islamic Finance as the global call for improved regulation and increased oversight in an international financial environment is fundamentally different, she said.

She stressed the need to leverage on its in-built strengths that set Islamic Finance apart in performing its role in the mobilisation and allocation of resources to generate real economic activities, and added that there should be focus of financial reforms in Islamic Finance to support sustainable and responsible innovation.

Zeti stressed that the key to Islamic Finance is innovation. Innovation requires the preservation of the benefits of innovative initiatives and activities whilst ensuring that they do not result in negative externalities. It will push the frontier of market development to generate the range of products and services, processes and functions.

She highlighted the Shari'ah as a fundamental requirement for Islamic financial transactions which will be able to facilitate financial deepening without financial excesses, adding that the profit sharing and risk-sharing characteristics of Islamic financial transactions strengthen the incentives to undertake due diligence ensuring that the profits are adequate and the risks assumed.

Islamic Finance will be reinforced as an increasingly important channel for global economic development. In the aftermath of the crisis, Islamic Finance will continue to spur new connectivity among nations as its role and relevance gains more significance - thereby contributing to a more balanced global growth.





Mr. Humphrey Percy, CEO of Bank of London and the Middle East, UK.

This would ensure that the products offered to the public would benefit the investors and reduce the tendency for extreme behaviour.

She said the developed economies have to address challenges such as designing rescue packages, which allows the emerging economies to achieve strong performances.

She illustrated with Asia as one region that has entered the crisis with solid economic fundamentals and more resilient financial systems and institutions, hence reinforcing the changing global pattern of financial and economic integration as financial and economic linkages strengthened between the emerging economies.

She said with the enhanced international dimension of Islamic Finance, it has become an increasing form of intermediation facilitating economic linkages between emerging economies.

More participation is also drawn by the more established financial centres that forge stronger financial linkages with the dynamic growth regions of Asia and the Middle East, hence contributing towards a more efficient mobilisation of funds across the region.

Islamic Finance will be reinforced as an increasingly important channel for global economic development. In the aftermath of the crisis, Islamic Finance will continue to spur new connectivity among nations as its role and relevance gains more significance - thereby contributing to a more balanced global growth, she concluded.

MR. HUMPHREY PERCY, CHIEF EXECUTIVE OFFICE, BANK OF LONDON AND THE MIDDLE EAST, UNITED KINGDOM, focused on the question of whether Islamic banks are the financial institutions of the future, and if so, what are the changes that are needed to be addressed.

He said Islamic Finance is recognised as a possible 'today and tomorrow' financial institution and is set to grow rapidly and many issues have emerged in the unfolding financial crisis, in particular the setting up of new norms, two of which contributed favourably to Islamic Finance:

1. Financial ethics and social responsibility of financial institutions
2. Expectation of financial ethics and adherence to them which would result in a larger role for financial regulation

He said educating European markets on Islamic Finance was very much behind in 2008 and 2009. But, currently, Islamic Finance is available in Europe and was not a nebulous concept, but rather one that is commonly talked about, gaining currency in credence in the UK press.

Humphrey added that the credit analysis departments of banks are beginning to understand and engage more actively the realm of Islamic Finance. In his view, at the end of 2009, the issue of the Sukuk caught the attention

of the people. They did not expect that such an Islamic financial instrument can be a part of the conventional world.

He also pointed out some challenges of the Islamic Finance industry, namely:

- **Education:** He highlighted that educating the market is vital to increase the growth rate of the Islamic Banking and Finance industry. Although there have been conferences, newspapers, articles, advertorials, speeches, teachings and workshops, the market practitioners in the conventional banking world were still far from understanding Islamic Finance. The same can be said of the regulators in Europe, including the Financial Services Authority, where they lack in-depth knowledge of Islamic Finance. He cited the Financial Services Authority which recently brought representatives of Central Banks of the North European countries to see him and they have strong pretensions to develop Islamic Finance. He said after the meeting, he realised that these Central Banks did not have the level of general knowledge and enthusiasm necessary to develop the market further.
- **Products:** He said there are still a very narrow range of products and there is a need to hedge risks – currency credit, interest rates and commodity risk. He believes that it is very difficult to manage risks. Furthermore, he pointed out that when it comes to managing those risks, there are relatively few instruments. Although much progress is being made and despite profit rates swap and forward foreign exchange being very well understood concepts, the number of institutions that can perform, document and transact these financial instruments is very few.

- **Liquidity:** Since Islamic Finance tends to be short term and not spread evenly geographically, it still remains a big challenge to get longer term funds into the Islamic Finance base.
- **Taxation:** The treatment of Sukuk is still not resolved with regard to the United Kingdom Islamic Banking and Finance. There are hopes for a resolution soon.
- **Sukuk:** There is a need for the relevant institutions to identify if the Islamic Finance instruments are taking risk from the asset or the originator. He pointed out that although there was an upturn in Sukuk investments from 2001, in 2008, issuance started dropping off. Although there was a slight recovery in 2009, it is still very low in 2010.
- **Narrow range of asset classes:** Due to it being asset-based finance, there is a tendency in the industry to hedge towards concentration risk, particularly with real estate, which by definition is liquid and longer term.
- **Ties within the Islamic institution:** There are still relatively few large Islamic Finance institutions and the bulk of them are still small relative to their conventional counterparts.

More positively, Humphrey added that the demand for Islamic Finance will come over time, since there were almost 1.6 billion Muslims worldwide and only 14% presently use banks.

This compares to 92% in United States of America and 95% in the United Kingdom. Islamic Finance represents 1% of the global financial system. Two new factors that have emerged in the last few years are – well recorded high level of indebtedness of Western governments which necessitates a spread, an identification of alternative sources of funding of Islamic Finance, particularly in the UK and France, and the liquidity regime to be introduced in the 4th quarter this year.

Currently, the Islamic financial and banking system is as competitive as the conventional banking system, which took up several hundred years to establish.

There will be a requirement for all banks to proportion their assets in AAA liquid assets. This is a big issue in the Islamic banks although in the UK, it has not been addressed yet. Currently, there is no discount window where people can go and pledge Sukuk or deposit through Murabahah.

Humphrey said there is no real prospect at the moment of Islamic banks in the UK having access to the right instruments but having said that, as a result of these two things - high level of indebtedness of the country and its liquidity regime - it is increasingly likely that the UK will issue a Sukuk, particularly in the light of the recent change of government.

He concluded that Islamic Finance is still a new world in Europe and welcomed more competition in the market as there are five Islamic banks in London.

More competition and participation in Europe can bring great results, provided that they are going to bring economies of scale activities.

MR. JOHN A. SANDWICK, SPECIALIST, ISLAMIC WEALTH AND ASSET MANAGEMENT, SWITZERLAND, shared his views on the area of wealth management, the role of women in the Middle East and the democratisation of wealth. A private banker for 20 years, it is his strong belief in social justice that brought him into the Islamic Finance industry.

In his opinion, Islamic banking has faced challenges to come up with practical, meaningful solutions for retail banking, corporate banking and investment banking.

Currently, the Islamic financial and banking system is as competitive as the conventional banking system, which took several hundreds of years to reach its present



Delegates of the eighth parallel session focusing on the proceedings on stage.

status, he said, adding that there are about USD 65 trillion of wealth under management, of which some USD 2.5 trillion was owned by Muslims.

Most of the USD 65 trillion were invested in deposit bonds, stocks, and alternative investments including real estate and an even smaller portion was invested in private equity; less than 2% of the global managed wealth is private equity.

A report by Merrill Lynch estimates that of the managed wealth in the world today, 50% is in bonds; which people go to for safety and liquidity.

Presuming that USD2.5 trillion of Islamic wealth is under management, there is none managed under the compliance of the Shari’ah.

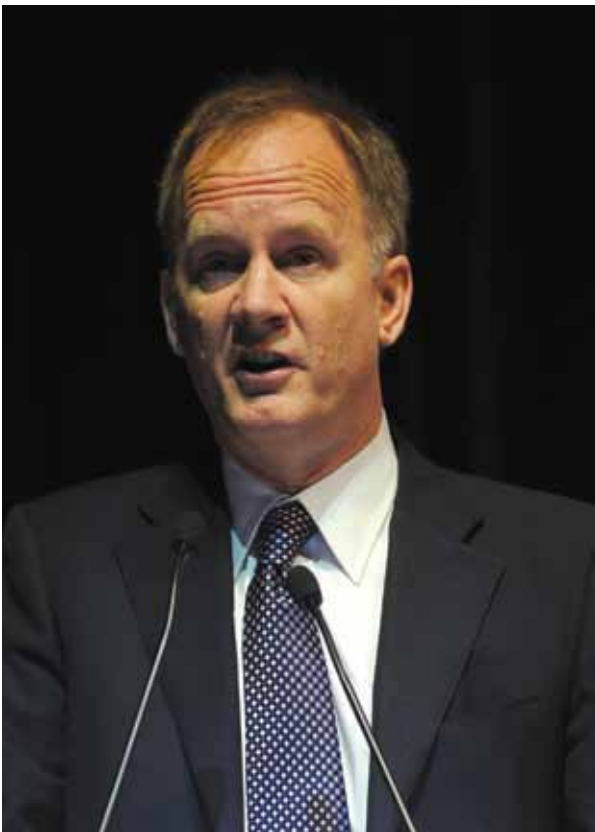
He revealed that some women from Saudi Arabia had approached him to invest their money in whatever means suitable, provided it is Shari’ah-compliant.

However, countries such as Switzerland do not have Shari’ah-compliant asset and wealth management. While Islamic banking has made enormous strides in the corporate, retail and investment sector, Islamic banking has failed to give meaningful solutions for the wealth and asset management sector, Sandwick pointed out.

He said if Islamic banks could convince 40% of the owners of the 2.5 trillion of asset wealth to become Shari’ah-compliant, USD1 trillion of assets would come under management. And if 40% of this, or USD 400 billion, could be placed in mutual funds, this would result in half, or USD 200 billion worth of Shari’ah-compliant Sukuk funds.

However, looking at the Shari’ah-compliant Sukuk space, there is barely about USD60 billion of Sukuk issued today, even though the pipeline for this time of year is probably USD40 or 50 billion. In other words, there was no hope of meeting minimum demand with the current Islamic financial system.

John said a mature developed economy such as the United States’ comprises 40% of the world population’s mutual funds, as compared to Russia, Brazil, and



Mr. John A. Sandwick, Specialist, Islamic Wealth and Asset Management, Switzerland.

Thailand, whose ownership of mutual funds range from 17% to 18%.

This trend of mutual fund ownership indicates that it is a norm for individuals and institutions, like pension funds, to save wealth and to act like financial intermediaries, he said.

He pointed out that in Saudi Arabia, the number of people owning mutual funds is barely over 1% and up until now, Islamic asset management as part of the banking business is targeting only individuals of high net worth.

Therefore, the challenge was to bring it down to the common man – Sukuk funds, real estate funds, equity funds - and urgently fill the void with every imaginable product.



Mr. Mumtaz Khan, CEO of Maybank Middle East Asia Capital Partners (MEACP) Pte. Ltd, Singapore.

MR. MUMTAZ KHAN, CHIEF EXECUTIVE OFFICER, MAYBANK MEACP PTE. LTD, SINGAPORE, said domestic demand was a central component of global growth and added that there was a demand for Islamic Finance. Moreover, the population and demographics of the Muslim World are in favour of the growth of Islamic Finance.

The rise of China, India and other emerging markets are the key drivers of the world's economy. There is a shift in political influence through Asia and the emerging markets. Unfortunately, there is a rise in protectionism but most importantly from the world's point of view was that there is a need for a more equitable distribution of resources. The world has begun to recognise that unfettered capitalism cannot work, and there should exist a more equitable distribution framework, he said.

He opined that the G20 has emerged as the key platform for determining the new world order; however there are

only three Muslim countries in the G20 – Indonesia, Saudi Arabia and Turkey and the Islamic Development Bank was not in the group although the World Bank was. He believes that this situation needs to be addressed.

He proposed that the top G3 countries, Indonesia, Saudi and Turkey, work together to create a platform of what he calls a G3 + 3. This should include the Islamic Development Bank, the World Islamic Economic Forum Foundation and Malaysia.

With this combination, the Ummah can assume leadership in the Muslim World and deliver tangible results leading to the resurgence of opportunities for the common people.

This would put the Islamic Development Bank on the same level as the World Bank; strengthen the role of WIEF Foundation, which is a very important institution as it provides a framework for interactive economic dialogue in an open inclusive setting; and initiate a more active

role in trying to deliver certain initiatives that are vital for the Muslim World and the world at large.

Although Malaysia is not part of the G20, he believes, Malaysia has all of the important factors that will provide leadership in the Muslim World including a diversity of cultures that provides it the opportunity to work flexibly with the whole world, giving it significant comparative advantage necessary for growth.

He said Malaysia has shown exemplary economic leadership for a sustained period while demonstrating a very high political leadership and stability which is absent in many Muslim countries.

He announced that with the collaboration of Maybank, the world's first clean energy fund was being created. He is glad such an initiative has emerged in Malaysia as clean energy is the fastest growing sector in Asia.

It is rapidly emerging as a preferred infrastructure and it provides the stability of income and involves less risk. Asia has demand for energy and clean energy is one of the fastest growing sectors. He hopes there will be many more initiatives in the area of clean energy and infrastructure from the Islamic Finance sector.

MR. KHALID ABDULLA-JANAHI, CHAIRMAN, ITHMARR BANK B.S.C. BAHRAIN, rephrased Winston Churchill's famous quotation which said "Never was so much owed by so many to so few" to "Never so few have damaged so many", in reference to Lehman Brothers one of the big players that went down with the global financial crisis.

He pointed out that others have survived because the respective governments have supported these institutions throughout, whether in the United Kingdom, United States of America or elsewhere.

The financial plunge is mainly due to the liquidity issue – the financial system is designed in such a way that liquidity is positioned with a few "big boys". And when they tumble others suffer as they tumble along.

It is the others that have to go through all the changes, transformation, all the additional things required to lead towards the new paradigm, seeking answers to what happened in the past few years, he said. He recommended that with the changes that are happening; there is a need to be extremely careful.

Looking back at the past 10 years, every time something happens, there will be new rules. There were new rules with the Enron predicament and there will be new rules as a consequence of the current financial crisis. When it comes to the implementation of new rules, it will have an adverse effect on smaller countries. The smaller countries will be burdened as they have to do more than others.

He said that there was a need to be careful not to overdo it in terms of imposing regulations. It is good to have good and strong regulations but this may burden the small countries and make them uncompetitive. Although competition is good, only a few can successfully overcome the challenges.



Mr. Khalid Abdulla-Janahi, Chairman of Ithmar Bank B.S.C. Bahrain

Bank Negara Malaysia educates practitioners four times a year on how to regulate the Islamic Finance industry. There are also advanced programmes with participants from all over the world.

Khalid illustrated further by mentioning Bahrain and Malaysia as two countries which are perceived to have very strong banking centres as these countries successfully survived the financial crisis.

The second important aspect, he said, was education which needs to come from top down – from the regulators, the bankers, and investors to the depositors. He said the depositors want their short terms funds to give long term rewards.

It is important to ensure that there is a win-win situation, where depositors and financial institutions benefit from the investments, he said.

He finds the absence of the Ummah’s contribution in the stories of the Islamic Banking and Finance industry’s success rather worrying and pointed out that in 50 years,

there is a possibility that the two names to be mentioned when recalling the history of Islamic Finance were not going to be from the Ummah. One name is Gordon Brown, who was the first one before Islamic countries who made sure Islamic Finance cancelled the double charge of stamp duty. Second is Madam Christine Lagarde, the Finance Minister of France who recognised the importance of Islamic Finance utilisation in Europe.

Khalid urged the delegates to take up the challenge and bring opportunities to the next level adding that many times, the opportunities were in front of them but they do not seize them and take them to the next level.

He also touched on the importance of harmonisation between Islamic banks where there is a lack of coordination and there is an element of compromise.



A delegate engaging in discussion with speakers on stage during the eighth parallel session.

He argued against the element of compromise and emphasised the significance of performing and executing schemes on the basis of its principle.

Identical to a strong building, the right foundation is vital for continuous strength. Islamic Banking and Finance has to go back to its roots, he concluded.

At the later stage of the session, Zeti, Governor of Bank Negara Malaysia, summarised by highlighting three points:

1. The establishment of Islamic Finance in Malaysia was initially for the Muslim community. However, Islamic Finance has demonstrated its competitiveness and ability to be innovative, with more than 50% to 70% non-Muslims involved in the Islamic Finance market.
In the Sukuk market, a petroleum company from the West was the first to issue a Sukuk. Currently, from the bond markets, Sukuk is issued by corporations and multinational companies from United Kingdom, Europe and Korea. This success is due to the innovation and cost effectiveness of Islamic Finance.
2. The state in which regulators are not able to regulate the Islamic financial institutions is a result of an inhibiting factor – participation. In light of this, she pointed out that Bank Negara Malaysia educates practitioners four times a year on how to regulate the Islamic Finance industry.
There are also advanced programmes with participants coming from all over the world. She emphasised that there is great interest and intention to ensure a well provisioned industry. As for the education of the practitioner, Malaysia has one university with students from 56 countries attending the available programmes to attain professional qualification.



A delegate taking notes during the eighth parallel session.

3. Malaysia will be issuing financial instruments which will facilitate cross border management of liquidity by Islamic financial institutions. These instruments have been on the drawing board for the last two years and are now in the final stages. This effort is not a result of the crisis but it is to raise the level of competitiveness in Islamic Finance to allow flexibility to manage portfolios.

Special Luncheon Address by HRH Prince Andrew, Duke of York

Tan Sri Ahmad Fuzi bin Hj. Abdul Razak, Secretary General of WIEF Foundation, was the moderator for the special luncheon.

HRH PRINCE ANDREW, THE DUKE OF YORK, started his special address by expressing what a great pleasure it was for him to be given the opportunity to address the delegates at the 6th World Islamic Economic Forum.

As the UK's Special Representative for International Trade and Investment, he promotes the UK as an attractive inward investment destination for foreign investors, creates more positive business conditions for British businesses investing overseas, and helps UK companies export their products to emerging and established markets.

In London, the global financial services centre, it has been recognized that there is a need to strike the right balance between risk taking and the requirement to provide capital to stimulate businesses in this difficult economy. Islamic financial instruments are important tools in the armoury of a financier in order to achieve that balance. This is ever more relevant because the Islamic World constitutes a major and growing part of the global population – including over 2 million in the UK alone.

The Duke of York said that events such as the WIEF provide an important opportunity not only to attend the formal sessions, but for more informal discussions, to allow the delegates to share new ideas to make the world more tolerant, more prosperous and improve living standards for all.

He also said that today there is a very long tradition of British trade with the Islamic World. For example, in the British Museum there is a gold coin produced during the reign of King Offa of Mercia, who reigned over the British Isles more than 1,200 years ago. On one side of that ancient coin is an Arabic inscription of the declaration of the Islamic faith: "There is no God but Allah" – proof that King Offa's subjects were even at that time with the Islamic World.



HRH Prince Andrew, Duke of York, UK.

And as long ago as 1154AD a Muslim cartographer, Mohammed al-Idrisi, produced a map to help traders and seafarers find their way to Britain. He described Britain as: “being bathed on the west by a Sea of Darkness, there come continually from that direction mists and rain, and the sky is always overcast, particularly on the coast”.

In his capacity as the UK’s Special Representative for International Trade and Investment for the last 10 years, the Duke of York has been a regular visitor to Islamic countries across Asia. All of these visits have left him enormously impressed with the developments in those markets and the business potential which they offer. He said that increasingly, UK’s trade with the Islamic World will involve the use of Islamic Finance.

To those who have worked with Islamic Finance for many years this will not be a surprise. But to others less familiar, the rise in profile of Islamic Finance will have been a wake-up call. And it is interesting to see that many non-Muslim executives and Finance Directors in the UK are now attending workshops and seminars to learn how Islamic Finance works and how it might benefit their business.

The potential size of the Islamic Finance market is huge. According to Standard and Poors Ratings Services, Shari’ah-compliant assets reached USD 400 billion in 2009, a significant amount during a tremendously tough year for the global economy. And with improved economic conditions, there must be scope for prolonged market growth in the future.

Surely the one thing everyone wants to avoid is another financial meltdown and the sharing of ideas and best practices is to be encouraged if it helps prevent that. That’s not to say that one system or approach is necessarily better than another. But what it does show is that we can all learn from each other and must be willing to explore different approaches to keep the wheels of commerce moving smoothly.

Malaysia, he advocated, being one of the world’s leading Islamic Finance markets and providing skilled human capital, attracts leading world banks such as HSBC and Standard Chartered. And with the UK being the largest centre in the Western world for Islamic Finance and the 8th largest globally, he emphasized that London can play a major role in the growth and progress of Islamic Finance since there are already 22



Tan Sri Ahmad Fuzi bin Hj. Abdul Razak giving acknowledgement to Prince Andrew during his introductory remarks.



Several members of the WIEF International Advisory Panel at the luncheon table with HRH Prince Andrew.

Islamic banks operating in London, 20 Sukuk issues in the London stock exchange and 20 law firms providing specialist services in Islamic Finance.

On a related note, he said that the British-Malaysian relationship is connected beyond the financial sector. Evidence of this is in terms of education, where 12,000 Malaysians are currently studying in the UK, and also many UK universities have their campuses based in Malaysia. These types of educational experiences build links between the two countries over the student’s lifetime and that is a great foundation to build on into the future.

It is thus encouraging that leading Universities such as Reading and the Oxford Centre for Islamic Studies, of which the Prince of Wales is the Patron, are working so hard to build this tolerance and acceptance through outreach programmes, international conferences and by inviting leading Islamic scholars to the UK to share their knowledge.

In concluded by expounding that London as the leading financial services centre in the world, has its doors open for all to innovate and drive forward Islamic financial instruments.



Mr. John Defterios, President of FBC Media, UK and moderator of the session.

Forum Day 2 Plenary 4:

Global CEO Panel: The New Game Plan: Thriving in a Post-Crisis World

Mr. John Defterios, President, FBC Media, United Kingdom, was the moderator for the session. He agreed with the Malaysian Prime Minister's comments, during his keynote address at the opening ceremony, that economic recovery was very uneven.

John said the G8 was hit the hardest in the economic crisis, and hence it allowed countries like Saudi Arabia and China, seeing as how they had surplus capital, to come into the picture on a bigger scale. The global tilt is now to the East. The real key drivers are the countries like India, China and Indonesia, he said. He pointed out that Malaysia too was experiencing high economic growth. Malaysia experienced growth at 10% in the first quarter of 2010 and is expected to continue that way throughout the year. The growth forecast at 5 to 6 % for the following year is considered low.

He highlighted that the "New Game Plan", for encouraging economic growth in G8 countries, focuses mainly on utilising various trade routes between nations such as:

1. The new Silk Road, particularly in the Middle East and Central Asia which is the new growth driver.
2. The new Spice routes: Formed earlier as a link between the Middle East, South East Asia and religious links.

Strategic financial planning starts with good financial defence. To thrive, one has to survive first.



Tan Sri Azman bin Hj. Mokhtar, Managing Director of Khazanah Nasional, Malaysia.

He said G8 continues to look for new growth areas and this new growth was for both the G8 governments as well as the Fortune 100 companies that originate from these countries.

He stressed the importance of focusing on large gaps that exists in the per capita incomes of citizens of

various Muslim countries (e.g. Qatar and Yemen) and the enormous disparities in the GDPs of the respective nations due to the gaps.

He said heads of investment bodies in Malaysia should focus on:

- 1. Where they would put their investments
- 2. How to attract capital and special projects into Malaysia like the Iskandar Project, which has exceeded its potential.
- 3. How to focus on the new investments that are coming in as a result of the New World Order that entails the paradigm shift from the West to the East.

TAN SRI AZMAN BIN HJ. MOKHTAR, MANAGING DIRECTOR, KHAZANAH NASIONAL, MALAYSIA thanked John Defterios for his comments and questioned the wording of the topic of discussion "Thriving in a Post Crisis World" and stated that the concerned parties may not be in a post crisis world, just yet.

As for the "New Game Plan", we should take into account some aspects of the seismic shift that affected the world because of the recent financial crisis. It is more pronounced today, the disparity between those who have more capital verses those with less capital, he said.

He stressed the importance of going back to "old basics", fundamentals and pointed out that recently, Malaysia hosted the Official Monetary and Financial

Institutions Forum (OMFIF), where central banks and sovereign wealth fund managers gathered to discuss pertinent issues. There were five main conclusions of that Forum:

- 1. The real economy is more important than financial economy.
- 2. From an investment point of view, "a bird in hand is worth two in the bush" and "those which lay eggs are worth even more".
- 3. The function of money is as a medium of exchange and not to make money on money such as the use of derivatives and so on.
- 4. Fundamentalism between state capitalism and market capitalism should be rejected since the path is somewhere in between; as states fail, markets also fail.
- 5. We are human. We are quite prone to being forgetful and excessive.

Strategic financial planning starts with good financial defence. To thrive, one has to survive first. An important point is that there are specific opportunities to thrive. As such, Khazanah, as an investment arm, has many operating companies under its wing, and these companies operate in the real economy; this makes sounds financial sense, he said.

With regard to businesses in the OIC world, he mentioned that the majority follow Shari'ah principles, to varying degrees while those not following Shari'ah principles stick to the more conservative rules of narrow banking. This puts OIC countries in a good position.

He went on to refer to the large pool of wealth, capital and strong demographics of OIC countries and added that Islamic Banking and Finance institutions need to focus on the rising middle-class.



The audience enjoying a good laugh.

He also noted that strategic positioning was an advantage. Malaysia for example, is very well connected to various economically important regions in Asia. Khazanah, with regard to alpha (a risk-adjusted measure of the so-called active return on an investment), is quite clear where it wants to invest in terms of its focus on the rising middle class.

An interesting new phenomenon that is emerging from this post- crisis world' is inter-country collaboration where we see more mergers and consolidations.

John Defterios, as the moderator for the session, asked MR. JOHN NUGÉE, SENIOR MANAGING DIRECTOR, STATE STREET GLOBAL ADVISORS (SSGA), AND HEAD OF SSGA'S OFFICIAL INSTITUTIONS GROUP, UNITED KINGDOM, whether the financial services industry in this part of the world (i.e. Asia and the Muslim World) survived better than Europe and if national interest was driving financial policy today. John Nugée responded by stating that Europe is still deeply mired in crisis. He noticed that many countries in Asia are already moving forward from recovery; meanwhile, the United States and Europe are still recovering. He said economic recovery was very important and the global community needs to think about what to do in the New World Order.



(Left) Mr. John Nugée, Senior Managing Director, State Street Global Advisors (SSGA) and Head of SSGA's Official Institutions Group, UK and (Right) A delegate asking a question during the session.

He listed three main errors of the past that needed to be rectified before the economy could move on from the recent crisis:

1. There was far too great a gap between the finance industry's complex structure, and the real world. Some of the structures were divorced from reality. Sound financing needs grounding in real economics.
2. There was too great a gap between the finance industry and its customers. Though one of the finance industry's main objectives is profit making, it still needs to strike the right balance between making money for customers, and making money from themselves.
3. There is far too great a gap between the finance industry and society. The finance industry can only work on trust, and not without it. In many countries, that trust has evaporated. Countries have gone out of control, and the public is crying out. There is a lot of anger amongst consumers right now.

The solutions he proposed were:

- **Ground your business to reality:** the finance industry needs a stronger grounding to the real world and to the real needs of the clients.
- **Put the customer first:** We need better appreciation of the phrase "putting the customer first". The finance industry needs to remember that it is a service industry, and that it is not a self-service industry.
- **Work with society and not against it:** Most importantly, the finance industry needs to rebuild itself and start afresh on the trust of its customers. Without trust, the finance industry cannot operate and without a trustworthy financial industry, society will not prosper.

We need humility and we need to acknowledge past mistakes. However many in the finance industry are not doing this, he warned.

He concluded that the finance industry needed to reconcile with society and there cannot be any reconciliation without truth. Stating that truth comes first, he said, many in the industry are still in denial over what went wrong.

These are lessons not for the finance industry alone, but for any industry, he added.

John Deferios asked **MR. NASSER MUNJEE, CHAIRMAN, DEVELOPMENT CREDIT BANK LTD & CHAIRMAN, AGA KHAN RURAL SUPPORT PROGRAMME, INDIA**, about the leadership traits necessary within the public or private sector. He responded that the characteristics of a new leader included asking what needs to be done.

The things they are good at doing, they usually do. So we need to be careful of what we are going to do. In the future anything is possible; hence the agenda should focus mainly on fixing the mistakes of the past. It is a very difficult time right now, especially in Europe. There are huge strategic issues at hand; cracks still remain from the financial crisis, he said.

He said "value-laden leadership" was always rewarded by the market and gave the TATA Group of India as an example as it contributed significantly to society via a strong Corporate Social Responsibility initiative and in turn contributed positively to its market. He added that there is a need to increase CSR at all levels.

He pointed out that although there is overregulation in India, it has helped India in the long-run. It is interesting to note that India's economy continued to grow at 5%, and will increase to 7%. It is a thriving economic environment in India right now, and it is an opportunity for investors, he said.

He also spoke of India's mirror image of America whereby the United States lost USD12 trillion in assets value in this crisis as opposed to India, where asset values have gone up.

He said the wealth effect was more pronounced in India, as a result of stored-gold in rural areas (gold prices have tripled) and land investment, and added that there is a strong domestic demand in India and a huge buzz in trading opportunities.

He quoted a 4th century philosopher who said: "If you do not know to which port you are sailing too, then no wind is favourable". Nasser spoke of the necessity of a clear sense of purpose and added that uncertainty has increased, thus predictability is the key to unlocking the future.

He quoted Peter Drucker: "the future has already happened" and explained that the conditions for the future have already been set and hence there is a need to take a closer look at the conditions. In his view governance and a caring attitude are going to be important elements in Asia.

We need to move towards a caring society, we need to watch what we are building, and move towards it. We need clear objectives to achieve this, he said.

He pointed out that in Asia, inclusion of civil society was crucial and currently, bankers were not the flavour of the month.

The financial industry as a whole needs to be inclusive, including the government and the governed - women and the youth, the rural and urban populations, he stressed.



Mr. Nasser Munjee, Chairman of Development Credit Bank Ltd & Chairman of the Aga Khan Rural Support Programme, India.



Mr. Salah Mohammed Al Jaidah, CEO of Qatar Islamic Bank.

His prediction is that the next big thing is “Public-Private partnership” and added that Governments were too big for small things and too small for big things.

Infrastructure build-up needs to be tackled by partnerships. Partnerships are important between all parties and will lead the future. We need to measure the outcome of this partnership, and analyse it as well as observe trends. How have we done this and what more needs to be done? This is a dynamic process, he said.

In conclusion he quoted 7 precepts from Mahatma Gandhi which the world should avoid at all costs. They are:

1. Wealth without work
2. Pleasure without a conscience
3. Politics without principles
4. Religion without sacrifice
5. Knowledge without character
6. Science without humanity
7. Commerce without morality

John Defterios asked **MR. SALAH MOHAMMED AL JAIDAH, CHIEF EXECUTIVE OFFICER, QATAR ISLAMIC BANK**, for his opinion on the direction Islamic Banking and Finance was heading towards, noting that Malaysia has nearly 60% of the global Sukuk market. Salah responded by stating three main issues:

1. The change of the rules of the “game” and how business was being done on the banking side.
2. The way to go about taking advantage of Islamic Banking and Finance.
3. The tilt to the East and how and who is going to tilt.

He said in light of the change of rules in the “game” there have been a number of initiatives taken in the Islamic Banking and Finance sector. He used the analogy “we cannot go through a typhoon or a difficult time and then bring in new rules. We need to settle down first, and we need to be creative and innovative.”

He said as long as there was no proper evaluation of the people responsible, there would always be misconduct and wrong judgment. Regulators need to be brought in to address this problem.

This needs to be understood, and viewed right. We need to be careful on how to react and comment, he said adding that more regulators were needed, especially in Europe and America.

There has to be verification of the change of the rules, and hence governmental support and investment is needed in order to settle the industry and stabilise the minds of investors. Governmental support to industries within the country lends authority and adds value to the industry.

The Qatar Investment Authority (QIA) provided this support and helped in adding value and trust to the market; specifically in the financial market and banking

industry. However there should be an exit strategy, an environment that encourages freedom of action by bankers and nourishes creativity.

In reference to the financial industry, Salah said it was now necessary to gain the trust of the customers, as well as continuously strive to bring about new initiatives.

We need to know how to manage people’s money and make returns out of it. Islamic Banking and Finance was hit directly and indirectly. Everything goes down in a storm, irrespective of how strong it is. The fundamentals of Islamic Financing and Banking are based on ethics and risk-sharing principles, he said.

He explained how the Islamic Banking and Finance industry works, by capping negative earning, and minimising loss as much as possible; the industry has much less leverage than conventional banking and almost always has underlying assets backing each transaction.

In conclusion he stated that the tilt to the East was because of its growth and diversity. The Islamic market alone comprises a population of approximately 1.8 billion and is characterised by tremendous diversity and high growth. Investors look at risk diversity, as well as yields and political stability. It is all about business and not just brotherhood. The appetite of investment has changed in the region, he said.

MR. IAN POWELL, CHAIRMAN AND SENIOR PARTNER, PRICEWATERHOUSECOOPERS UNITED KINGDOM AND THE MIDDLE EAST, said the biggest asset of any corporation is its people.

In reference to the new coalition government in the United Kingdom, he stated that they will have to find ways to cut the deficit, probably by increasing taxes and reducing expenditure.

The only way out of the crisis is by growth. Growth is generated by businesses not governments. In the United Kingdom, at the top of the trust index, are doctors and dentists; and at the bottom are journalists, politicians and businessmen.

There is a need for more integrity in business. How to rebuild that trust? Social architecture is the only sustainable competitive advantage that any business has in the long run. Social architecture is the culture and values of the business, he said.

He pointed out that PricewaterhouseCoopers puts a lot of thought into culture and the culture of a company raises the question of values of the business.

The whole definition of culture in an organisation is something that CEOs need to address. This will then help one see what sort of business they are in. A war for talents is going to take place, especially in the professional services industry. We are now being interviewed by the talents that we recruit, on the values of our company and whether or not we fit their criteria.

There is a need for more engagement with employees and clients. Personal responsibility must be there; especially in the financial services industry. This was the cause of the crisis too. Many people just



Mr. Ian Powell, Chairman and Senior Partner, PricewaterhouseCoopers, UK and the Middle East.



(Left) Mr John Deferios analysing points made by (Right) Mr. Salah Mohammed Al Jaidah during the fourth plenary session on the second day of the main Forum.

sat and watched and did not accept accountability or responsibility for the mess. This will then lead to increased adaptability and a more flexible workforce.

He described this phenomenon as social loafing, whereby no one makes an effort to actually assume responsibility and take action and added that this cannot continue to happen in the world of business.

DATO' SERI ANTHONY F. FERNANDES, GROUP CEO, AIRASIA BERHAD, MALAYSIA, talked about crisis and how AirAsia faced crisis every day from its inception but added that crisis also brought opportunities and growth.

AirAsia has three very important traits:

1. It is constantly innovating and looking for new ways to find new business.
2. It spends a lot on branding.
3. It has great people.

Companies should spend more on branding, especially during a crisis. AirAsia spent a fortune on branding. An example of this is how it maximised spending in Barclays Premier League (BPL) and also sponsored the Manchester United Football Club (MUFC), he said.

He also commented on AirAsia's innovation policy by emphasising the importance of innovation and the continuous desire to innovate.

Anthony said in AirAsia, people are the number one asset; everyone comes out with ideas. That is how solutions to problems are found. For example, the idea for AirAsia X came from a baggage handler. When people have the courage to talk, and to take risks - that is when innovation occurs. At the same time, talent management is critical and allowing talent to rise to the top is important.

From a modest beginning with 2 planes, AirAsia grew its fleet to 100 planes; and in an 8-year period, it went from servicing 200,000 passengers to currently servicing 27 million passengers. However it needs to reach out to a bigger market and this can be done by spending more money on branding and innovation.

When John Deferios asked Azman Mokhtar whether Malaysia was able to ride the most recent financial storm better because of its experience in the 1998 Asian financial crisis, Azman said the 1998 crisis was when Asia suffered a "heart attack" while the recent crisis was equivalent to the entire world having a "heart attack".

For Malaysia, the second 'heart attack' was easier to handle due to the previous experience. Malaysia has its structural challenges but how it faces them to survive and thrive is what really matters, he said.

He added that "Capital Controls" worked for Malaysia which the International Monetary Fund (IMF) has acknowledged.

The cost of financial restructuring was 2.6% of the GDP which is a world record, whereby the conservative cost is 20-30%.

An example of a different model of economic growth is Indonesia; it is currently undergoing a 'V recovery', while Malaysia is undergoing more of a 'U recovery'. There are plenty of lessons to be learnt; the problems are very

serious. A global solution is difficult to attain, so people will be talking more on global scale and acting more on local scale, he said.

John Nugée said over-regulation may be a solution to deter the recurrence of another financial crisis since neither society nor the financial industry has managed to reconcile with one another following the financial crisis.

Society, represented by national governments, is naturally putting its citizens' interest first and that is just something the financial sector will have to deal with as a result of what happened in the crisis. This is sad but an inevitable response, he said.

He further noted that whether it has to be a response from the G20 group or a national response, the result would be determined by the enormous pressure of society on its leaders. There has been a tremendous amount of pressure by society on governments, especially in Europe and hence it is not very surprising that national governments are putting their people's interests first, he said.



Dato' Sri Anthony F. Fernandes, Group CEO, AirAsia Berhad, Malaysia.



Hon. Tun Musa Hitam (right) having a brief conversation with Wan Zaleha Radzi, one of the official emcees of the 6th WIEF, before proceeding to the stage.

Forum Day 2 Special Leaders Dialogue on Climate Change

Putting a Brake on Climate Change: Assuring Earth's Future

Hon. Tun Musa Hitam, Chairman, WIEF Foundation, was the moderator for this special session. He began the panel discussion by noting the lack of knowledge on what climate change was all about and how it affects people in their daily lives.

H.E. DR. AHMED ALI SAWAD, MINISTER OF TOURISM, ARTS AND CULTURE, REPUBLIC OF MALDIVES, delivered the keynote address on behalf of the President of Maldives. He began by asserting that it is a well-known fact that climate change remains a serious threat, not just for the Maldives but for the entire world.

Climate change is about melting ice caps, and the rise in sea levels. Left unchecked, climate change will destroy the world economy and the world's delicate ecosystem. Whatever happens to the Maldives today, will happen to the rest of the world tomorrow.



(Left) H.E. Dr. Ahmed Ali Sawad, Minister of Tourism, Arts and Culture, Maldives and (Right) Mr. Ibrahim Thiaw, Director, Division of Policy Implementation, UNEP.

The whole world must go carbon neutral by 2050. This is a challenge but achievable with political leadership. We do not need to burn every last piece of coal or drop of oil to switch to carbon neutral technology. The Maldives strives to be carbon neutral in 10 years. It is doing this partly because of environmental concerns, but mainly because of economic and security reasons, he said. The country is heavily dependent on the price of oil, and this is the reason why the Government runs into a large deficit.

Oil is entirely imported and any unforeseen price rise in oil will be devastating to the economy of the Maldives. The switch from oil to renewable energy brings energy security to the country, reducing dependency on oil in favour of natural and cheaper means of energy, namely the sun, waves and wind.

The two biggest industries in the Maldives are fishing and tourism, both are absolutely dependent on the coral reefs. Any damage to their environment will invariably damage the Maldivian economy, he added.

He stressed that the clean energy revolution will fundamentally alter the future of the world economy those who have a head start in renewable energy now, will be the future leaders of tomorrow.

MR. IBRAHIM THIAW, DIRECTOR, DIVISION OF DEVELOPMENT, UNITED NATIONS ENVIRONMENT PROGRAMME (UNEP), said the world was facing, as he calls it, the Crisis of the '3Fs' - financial, fuel and food.

He explained that the Human Ecological Footprint has reached 1.4 times the Earth's biological capacity which means the world needs 1.4 Planet Earths to sustain the people in it and this number is growing, alongside the human population.

He said by 2050 there will be an additional 3 billion people, which meant the world will need more than 2 planets to sustain itself. "What opportunities are there? How do we turn challenges into opportunities?" he asked.

In the UNEP, the concept of Green Economy is being promoted. There is a lot of business to be done on environmental matters and businessmen should invest

One must start investing now. The market is extremely open, and it is an open game for both SMEs and large enterprises, with huge opportunities to be taken advantage of.

more on these issues. The world map shows that there is huge potential for solar energy.

We can for example create 60% more energy if we place solar panels on the deserts. There are huge projects in North Africa to invest in solar power in order to re-export it to Europe.

Muslim countries that are also oil producing countries are always reluctant when discussing such a topic even though they also have the potential for producing such clean energy. The challenge is: How do we export this energy from where it is produced in a commercial manner?

Therefore the first to invest in such technologies will be the winner. We should not wait until everything is done before investing. One must start investing now. The market is extremely open, and it is an open game for both SMEs and large enterprises, with huge opportunities to be taken advantage of, he said.

He pointed out that another opportunity to be explored was the energy efficiency of buildings since in hot countries people use air conditioning while cold countries they use heating. We see a lot of consultants in developed countries who are trying to promote the carbon market to the developing world. New markets like the Bio-banking or habitat banking systems are areas of development which can be exploited in terms of tourism and money can also be made from them.

People are investing on forests, ecosystems, wetlands, endangered species that are being protected. This is a system where one can generate money and at the same time conserve and preserve the environment which is central to Islam, he added.

DR. JYOTI PARIKH, EXECUTIVE DIRECTOR OF INTEGRATED RESEARCH AND ACTION FOR DEVELOPMENT AND MEMBER OF THE PRIME MINISTER'S CLIMATE COUNCIL, INDIA, cited that since 1992, two sides of climate change have been distinguished.

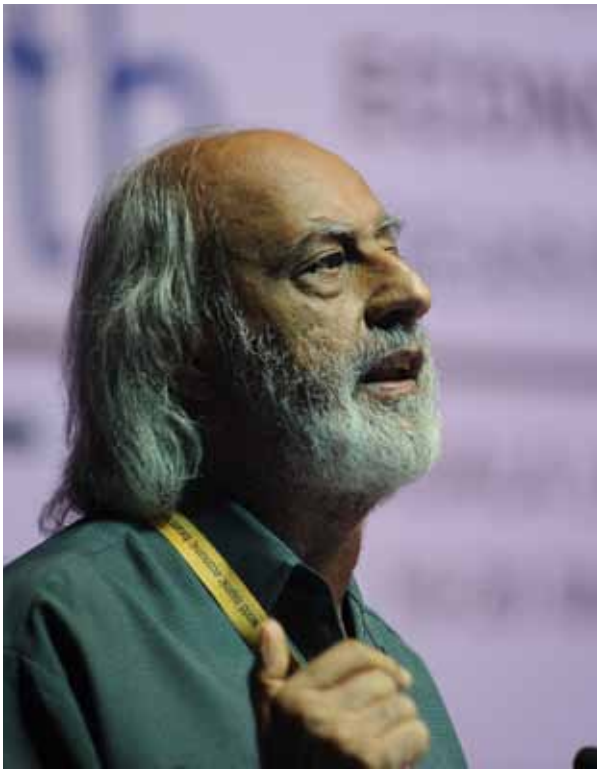
First, there is the mitigation or ways of reducing emissions (which takes precedence in international negotiations) and the second is adaptation, namely what impact is caused by whom, who will suffer and who should pay for it.

How do we share the burden of suffering, reduce vulnerabilities and innovate on ways to deal with adaptation through technologies, infrastructure knowledge sharing and financing?

Jyoti suggested that an aspect to be looked at is the sustainable habitat issue, where ports are developed



Dr. Jyoti Parikh, Executive Director of Integrated Research and Action for Development and Member of the Prime Minister's Climate Council, India.



Mr. Gurmit Singh, Chairman of the Centre for Environment, Technology and Development, Malaysia.

for a long time, cities are located in precarious positions and the rise of sea levels poses a serious concern.

When floods or cyclone happen and cities turn into traps, we must look at the climate resistance of the city. The way that cities are designed needs to be looked at to reduce the requirement of energy.

While trying to grow economically, there are already barriers to reducing emissions but we hope that technology transfers and funds will keep flowing so that we work as one earth with due regard for everyone's aspiration, she added.

On the connection between Islam and climate change, she said a few factors stand out. Most importantly, the underlying concern is poverty. Poor people are the most vulnerable; even though they are the ones who are not involved in the emissions issue. In terms of mitigation, much of solar energy is expensive as an up-front cost but if its interest-free or low interest loan, then it will be more successful, she said.

In conclusion, Jyoti said, renewable energy was worth it but it was not quite ready yet, so until then the world can continue to depend on oil and gas.

If there is more utilization of gas to cover the bridge until renewable energy is ready, we can tide over this crisis with mutual harmony and cooperation, she said.

MR. GURMIT SINGH, CHAIRMAN OF THE CENTRE OF ENVIRONMENT, TECHNOLOGY AND DEVELOPMENT, MALAYSIA, said no living being on earth is immune to global warming and climate change.

We are heading to higher emissions levels, even though 20 years ago it was recommended that the world should reduce emissions by up to 80%. The negotiations concerning climate change have become more about economics and politics rather than about science.

Thus governments have failed to address the issues of climate change because no one has taken a stand to actually start implementing any recommendation or measure.

The poverty alleviation situation is not being addressed; the divide between the richer countries and the poorer ones is still existent. Negotiations are on-going, but there are no visible results.

Businessmen used to be against climate change but suddenly there is a new voice claiming to be the saviour; the renewable energy industry's voice. But the question remains, is it enough? Can the private sector provide the leadership that governments have failed to provide and make money at the same time? This was a key question he put forth.

Gurmit brushed aside the clean energy bank proposal, and questioned this "clean energy" that was being bandied about. He also argued that clean energy need not be complex energy or capital intensive. For example Bio-Gas where local waste can be converted and re-used as bio-oil was cheaper than solar energy but there were no facilities to do the conversion.

People are fed up, especially in terms of climate change and the unwillingness of governments to take the necessary initiatives, he said.

H.E. RUUD LUBBERS, FORMER PRIME MINISTER OF THE NETHERLANDS, recounted that in 1992 there was the Earth Summit, for environment and development. The whole world was in euphoria, because it was after the end of the Cold War and people started practising market principles, it was a brilliant future for the economy. Then people started becoming more concerned with nature and the environment.

There was a massive interest in ecology. The basic principle is that the current generation is becoming aware that people are becoming more connected in relation to nature with one common destiny.

The initiative in 1992 was remarkable, because a number of years earlier, sustainable development was defined as going forward in a way so that you do not compromise the opportunities for generations to come. This was when intergenerational solidarity started.

Doing all this is now made visible through climate change, which has two dimensions; there is the moral obligation to go for mitigation of CO2 emissions. At the same time, however, we are a little too late to raise funds for adaptation, Lubbers said.

With regard to renewable energy efficiency, either being bio, solar or wind, Lubbers urged people to not believe anyone who claimed they have the solution because there is not just one solution, as the people have an obligation to explore all possibilities.

He recommended that concerned parties invite nations and let them come forward and applaud other countries of what they are doing in their own countries in mitigation and support them instead of just negotiating.



H.E. Ruud Lubbers, former Prime Minister of the Netherlands.

Things have to be done in a sustainable way. Malaysia for example has enormous potential in terms of bio energy. A common but differentiated responsibility means that we are responsible to address climate change and realise this mitigation. Differentiate means one has the obligation to make use of your own possibilities, such as Malaysia with palm oil.

The Netherlands practices CCS - Clean Fossils. All the efforts with durables will not be the solution within the next 50 years, so they have to take the CO2, the fossil fuels and store it. Differentiated responsibility is also about one's role in society, where everyone has different roles, either as a business or NGO, he said.

He pointed out that the two largest economies in the world are the EU and US and if one wants to go forward, one has to put a price on CO2.

"This boils down to the concept that the polluter should pay. If the two economies should implement and internalise a policy that states everyone has to pay 50 Euros per ton per year, they can use part of this money, coming either from taxes or a system of CO2 emission allowances, to fund new technologies and pilot projects", he suggested.



Forum Day 2 Concluding Session:

The closing ceremony began with the signing of the agreement on the holding of the 7th WIEF in Kazakhstan. [H.E. ASET ISSEKESHEV, DEPUTY PRIME MINISTER AND MINISTER OF INDUSTRY AND TRADE OF KAZAKHSTAN](#) began his keynote address by thanking the WIEF organisers, speakers and delegates.

He pointed out that the coming Forum in 2011 will help Kazakhstan in establishing new contacts and strengthening economic relations with OIC member countries and that hosting such a large scale event would be an honour for Kazakhstan.

He also noted that traditionally, the number 7 is special to Kazakhstan and therefore it is fitting that they are to host the 7th WIEF. He extended an invitation to all to participate at the Forum in Kazakhstan.

H.E. Aset Issekeshev, Deputy Prime Minister and Minister of Industry and Trade, Republic of Kazakhstan.

CLOSING REMARKS BY HON. TUN MUSA HITAM, CHAIRMAN, WIEF FOUNDATION.

The Chairman thanked the WIEF secretariat and International Advisory Panel, and everyone else involved in the success of the Forum for their perseverance, hard work and patience, and stated that their support further enhanced the good name of the World Islamic Economic Forum. He went on to thank the Prime Minister of Malaysia and the government, for their role in the huge success the Forum has turned out to be.

He then expressed the great pleasure it was to have had, as part of the WIEF secretariat such a vibrant and energetic group of young men and women who have contributed immensely to the success of the Forum. It is his hope that this young group has been sensitised and acquired an overall understanding of the objectives of the WIEF and hopefully will work together to face the challenges ahead.

He asserted that they are going to use the Kuala Lumpur Statement and all the feedback that they got about the 6th WIEF from the delegates and organisers to continue improving the WIEF. He went on to say that WIEF will use their position to participate in other institutions, and prioritise and resolve issues that everyone faces together. A special mention was given to the Pre-Forum programmes, namely the Young Leaders Forum, the Businesswomen Forum and the Marketplace of Creative Arts exhibition.

He appreciated that everyone involved in the Forum was participating more and not sitting passively, unlike previous Forums. He concluded his speech by commenting that the world would be a better place if it learned from the old and current situations, and Forums like these are the stepping stones to improvement.



Hon. Tun Musa Hitam, Chairman of the WIEF Foundation.



(Left) H.E. Aset Issekeshev and (Right) Hon. Tun Musa Hitam signing the agreement on the holding of the 7th WIEF in Kazakhstan.



Tan Sri Fuzi bin Hj. Abdul Razak, Secretary General of the WIEF Foundation reading the 6th WIEF Kuala Lumpur Declaration.

6th WIEF Kuala Lumpur Declaration

Tan Sri Fuzi bin Hj. Abdul Razak, Secretary General of the WIEF Foundation presented the Kuala Lumpur Declaration, which is as follows:

The 6th World Islamic Economic Forum (WIEF), themed “**Gearing for Economic Resurgence**”, successfully concluded in Kuala Lumpur on 20 May 2010. The Forum was declared open by the Hon. Dato’ Sri Mohd Najib bin Tun Abdul Razak, Prime Minister of Malaysia and Patron of the WIEF Foundation, and attracted 2567 delegates from 67 countries.

Special addresses were delivered by Heads of State and Government from Brunei Darussalam, Senegal, Indonesia, Kosovo, the Maldives and Bangladesh and moderated by the Prime Minister of Malaysia. Other important presentations were made by members of Royal families, former Heads of Government, the Secretary General of ASEAN, the President of the Islamic Development Bank, Ministers, Chief Executives of leading corporations and other thought leaders from the public and private sectors.

WIEF’s commitment to diversity and inclusivity was evidenced by a Businesswomen and Young Leaders Pre-Forum opened by the Hon. Tan Sri Muhyiddin Mohd Yassin, Deputy Prime Minister of Malaysia. The WIEF Businesswomen Network (WBN) continues its focus on enhancing business and entrepreneurship skills through its training workshops and is launching an innovative, new, on-line, businesswomen exchange program - We-BizNet. The WIEF Young Leaders Network (WYN) announced successes in placing deserving Muslim students in corporate internship programs and the awarding of academic scholarships.

This year's main Forum was held against the backdrop of a world emerging from a financial crisis which has affected all nations. In this challenging environment nine countries took advantage of the Forum to showcase trade and investment opportunities in their respective countries. The WIEF 'Business Matchmaking Lounge' also continued to enable investors and entrepreneurs to meet informally and during the Forum the leaders witnessed the signing of five commercial Agreements in the trade, banking and IT sectors. In addition, recognising the importance of creativity and innovation, for the first time the Forum included a unique creative arts program entitled 'The Marketplace of Creative Arts'.

WIEF provides an inclusive Forum where experiences are shared and lessons are learned, from the expert speakers – and from each other. Specific outcomes and proposals made by leaders and delegates during the Forum will be included in the 6th Forum Report. However, recognising the impact of the crisis and consistent with this year's theme and our commitment to actionable outcomes, the WIEF will immediately begin working with the relevant leaders to further develop the following five specific proposals made during the Forum:

- i. **Economic Summit:** The financial crisis has created opportunities for new ideas, new economic models and even new values. The WIEF will explore with Muslim leaders a plan to hold an Economic Summit which will focus on practical ways in which Muslim countries can enhance their own economic growth and development as well as exploring how Islamic banking and finance can contribute to a more sustainable international financial system.
- ii. **Clean Energy Development Bank:** Recognising the threat of climate change to all nations and the business opportunities in clean energy-related industries, the WIEF will evaluate specific actions to advance this important proposal.
- iii. **Social Entrepreneurship Foundation:** The WIEF will evaluate models of private sector-led social entrepreneurship, focusing on the special funding needs of SMEs and other enterprises throughout the Muslim countries.
- iv. **Creativity and Innovation Incubation Centres:** Reform of education, training and skills development systems is essential to national innovation and growth. The WIEF will liaise with academic leaders and institutions to craft a pilot plan for an 'Incubation' Centre.
- v. **Youth Corps:** The WIEF will initiate a 'pilot' test of this proposal to develop practical plans to harness the vibrancy of youth and prepare them for leadership roles in future.

The World Islamic Economic Forum wishes to record its appreciation to the Government of Malaysia for hosting and ensuring the success of the 6th WIEF in Kuala Lumpur.

The Forum also accepts the gracious invitation delivered by H.E. Aset Issekeshev, Deputy Prime Minister, on behalf of the Republic of Kazakhstan, to host the 7th World Islamic Economic Forum in 2011 in Astana.

Kuala Lumpur, Malaysia on 20 May 2010.

It was agreed that this Declaration be submitted to the Chairman and the Secretary General of the Organisation of the Islamic Conference and other relevant international organisations.



Delegates applauding at the end of the reading of the 6th WIEF Kuala Lumpur Declaration.

Summary of Memorandum of Agreements (MOAs)

AT THE OPENING CEREMONY OF THE 6th WORLD ISLAMIC ECONOMIC FORUM IN THE MORNING OF 19 MAY 2010, FOUR MEMORANDUM OF AGREEMENTS (MOAs) WERE SIGNED IN FULL VIEW OF THE LEADERS AND THE DELEGATES OF THE FORUM



- 1. Memorandum of Agreement on Strategic Partnership with Respect to the Distribution of Islamic Investment Products globally between Asian Finance Bank, European Finance House and Bank Muamalat Indonesia

The first MOA represented a strategic tripartite collaboration between Asian Finance Bank, European Finance House and Bank Muamalat Indonesia in establishing more innovative Shari’ah-compliant investment products for the Indonesian market. This exclusive arrangement sets the framework to initiate, develop and promote Islamic investment products, commencing with the Islamic Liquidity Fund, the Global Sukuk Plus Fund and potentially, Shari’ah-compliant structured notes.

The signatories were Datuk Mohamed Azahari Kamil, CEO of Asian Finance Bank, while European Finance House was represented by Mr. Salah Al Jaidah, Director of European Finance House and CEO of Qatar Islamic Bank. Bapak Arviyan Arifin, President Director of Bank Muamalat Indonesia represented PT Bank Muamalat Indonesia.



- 2. Memorandum of Agreement for the sale and purchase of Malaysian fresh fruits and frozen Halal chicken between Exotic Ecofarm Sdn Bhd, Malaysia and Cupid Trading Agency Ltd, Bangladesh

The signatories for the second MOA were Mr. Jeffery Choong Wong Chian, Managing Director of Exotic EcoFarm Sdn Bhd and Dr. Sankar Chandra Podder, Managing Director of Cupid Trading Agency Ltd, Bangladesh.

The Sales and Purchase Agreement, the first of its kind to be signed between the two parties, Malaysia and Bangladesh, entails the export of Malaysian fresh fruits and Halal frozen chicken over the period of 2 years, was signed by Exotic EcoFarm Sdn Bhd, a member of the Exotic Star Group, one of the biggest exporter of Malaysian fruits, mainly to China, Hong Kong and Europe and Cupid Trading Agency, a conglomerate trading house in Bangladesh.



3. Technical Support Agreement between MuslimSE.com and Defined Search Sdn Bhd and License Agreement between MuslimSe.com and Most Glory Corporation Limited

The third MOA consisted of 2 parts; the first was between MuslimSE.com (MWSE Sdn Bhd), the operator of the world’s largest Muslim online search engine and Define Search Sdn Bhd (DSSB), a subsidiary of asiaEP Bhd, a global e-marketplace and search technology developer. The agreement committed both parties to collaborate to strengthen MuslimSE.com via a 5-year contract. DSSB, will provide all the necessary technical support including maintenance services for the Muslim online search engine which is set to be rolled out in 57 countries by 2012. The signatories were Datuk Haji Mustapha Bin Yaakub, Executive Chairman of MuslimSE.com and Dr. Bernard Tan, Managing Director of asiaEP Bhd.

The second part of the MOA was between MWSE Sdn Bhd and Hong Kong based company, Most Glory Corporation Ltd who was awarded the sole licensing rights to operate MuslimSE.com in China. MWSE Sdn Bhd was represented again by Datuk Haji Mustapha Bin Yaakub while Mr. Ben Lee represented Most Glory Corporation Ltd.



4. Memorandum of Agreement for Collaboration on Customisation of Islamic Investment Products and Hedging Solutions between Bank Islam Malaysia Bhd and Barclays Bank PLC

The fourth MOA was between Bank Islam Malaysia Bhd, represented by its Managing Director, Dato’ Seri Zukri Samat and Barclays Bank PLC, represented by its Managing Director, Mr. Steve Clayton.

Under the agreement signed, Bank Islam and Barclays Bank will, among other things, work together in developing Islamic hedging solutions and structured products to be offered to prospective customers. In addition, Bank Islam is also looking at collaboration with Barclays Bank for its future investment products. The Agreement specifically covers the area of Shari’ah-compliant hedging solutions.

Bank Islam and Barclays Bank have recently entered into a transaction based on the Shari’ah contract of Wa’ad, where Barclays Bank has acted as counterparty in the underlying transaction for an investment product offered by Bank Islam to its customers.



Exhibition & Marketplace

6th WIEF Exhibition

18 - 20 May 2010 | Exhibition Hall 1, Ground Level



The 6th WIEF Exhibition was held on 18-20 May 2010, in conjunction with the 6th World Islamic Economic Forum, bringing in trade exhibitors consisting of trading companies and national trade promotion agencies, and various showcase booths and pavilions of sponsors and partners of the Forum.



6th WIEF Exhibition

18 - 20 May 2010 | Exhibition Hall 1, Ground Level



The 6th WIEF Exhibitors

- | | |
|--------------------------------------------------------------------|-------------------------------------------------------------------------------------|
| 1. Asia-Europe Institute, University of Malaya | 25. Lembaga Kemajuan Tanah Persekutuan (FELDA) |
| 2. AsiaEP Bhd - Muslimse.com | 26. Lembaga Tabung Haji |
| 3. Asian Finance Bank Berhad | 27. Malaysia International Islamic Financial Centre (MIFC) |
| 4. Asian Institute of Finance (AIF) | 28. Malaysian Association of Creativity & Innovation (MACRI) |
| 5. Asiana FX Limited | 29. Malaysian Genomics Resource Centre Bhd |
| 6. Astronautic Technology (M) Sdn Bhd | 30. Malaysian Technical Cooperation Program - Ministry of Foreign Affairs, Malaysia |
| 7. Bangladesh High Commission | 31. Malaysian Technology Development Corporation |
| 8. Binary University College | 32. MIMOS Berhad |
| 9. CIMB Bank Bhd | 33. Ministry of Science, Technology and Innovation |
| 10. Coca-Cola Far East Limited | 34. Multimedia Development Corporation Sdn Bhd |
| 11. Cybersecurity Malaysia | 35. National Oceanography Directorate |
| 12. Department of Chemistry Malaysia | 36. Pakistan Pavilion |
| 13. Department of Standards Malaysia | 37. Permodalan Nasional Berhad (PNB) |
| 14. FMM Services Sdn Bhd | 38. PricewaterhouseCoopers Malaysia |
| 15. The Halal Journal | 39. Proton Holdings Berhad |
| 16. Halal Industry Development Corporation Sdn Bhd | 40. Porosus Products Sdn Bhd |
| 17. High Commission of The Republic Of Maldives | 41. Qatar Islamic Bank (QIB) |
| 18. Infovalley Group Of Companies | 42. Sime Darby Group |
| 19. International Centre for Education in Islamic Finance (INCEIF) | 43. SIRIM Berhad |
| 20. Iqra' Pintar Sdn Bhd | 44. Syrian Arab Republic |
| 21. Iris Technologies (M) SDN. BHD. | 45. Technology Park Malaysia Corporation Sdn Bhd |
| 22. Iskandar Investment Bhd | 46. UEM Group Berhad |
| 23. Islamic Development Bank (IDB) | 47. Yayasan Tuanku Nur Zahirah |
| 24. Islamic Finance News | |

The Marketplace of Creative Arts

Defining Youth and the Muslim World through Arts

18 - 19 May 2010 | Conference Hall 2



The Marketplace of Creative Arts, a creative arts exhibition was held on 18-19 May 2010, in conjunction with the WIEF Young Leaders Forum. This event brought together 29 local and international artists from 8 countries across the globe, from various genres of art such as calligraffiti, calligraphy, photography, filmmaking, comedy, music and performing arts. The event consisted of intriguing sessions and workshops on the future of the creative arts industry in the Muslim World which took place in the exhibition's central masterpiece structure "The Dome" and various performances and film screenings.



The Marketplace of Creative Arts

Defining Youth and the Muslim World through Arts

18 - 19 May 2010 | Conference Hall 2

18 MAY 2010

9.45am – 10.00am

Opening Remarks

10.00am – 10.30am

Film Screening:
Under Cover by Iman Zawahry

Artistic Performance:
Wayang Kulit Show (Shadow Puppet Show)
by Faculty of Artistic & Creative Technology, UiTM

10.30am – 11.00am

Workshop 1:
Nadia Janjua & Reem Hussein

Film Screening:
The Alamaya Movie by 'Shock3d' Studio

11.00am – 11.30am

Film Screening:
Bronx Princess by Musa Syeed

Artistic Performance:
Jogjakarta Court Style Dancer by Mubarika Nugraheni

11.30am – 12.00pm

Workshop 2:
Faraz Yousoufzai & Mubarika Nugraheni

Film Screening:
Muslims in Love by Sarah Usmen

12.00pm – 12.30pm

Film Screening:
Lollipops Crown Children's Film Workshops
by Mohsin Mohi-ud-Din

Artistic Performance:
Live Stand-up Comedy by Bilal Randeree

12.30pm – 1.00pm

Workshop 3:
Mohsin & Mubashir Mohi-ud-Din

Film Screening:
I'M MUSLIM TOO! By Zan Azlee

1.00pm – 2.00pm

Break



2.00pm – 2.30pm

Workshop 4:
Bilal Randeree & Iman Zawahry

Film Screening:
Short Film Compilations by Faculty of Artistic
& Creative Technology, UiTM

2.30pm – 3.00pm

Film Screening:
Under Cover by Iman Zawahry

Artistic Performance:
Wayang Kulit Show (Shadow Puppet Show)
by Faculty of Artistic & Creative Technology, UiTM

3.00pm – 4.00pm

SPECIAL SESSION – WYN SESSION 4:
Identity in the 21st Century: Investing in the
Future of Creative Arts

Speakers:
Tarek Atrissi, Madhy Al Bakry, Zalfian Fuzi,
Reem Hussein, Nadia Janjua

4.00pm – 4.30pm

Workshop 5:
Tarek Atrissi & Madhy Al Bakry

Film Screening:
Air Con, Zalfian Fuzi

4.30pm – 5.00pm

Film Screening:
Lollipops Crown Children's Animation Workshops
by Mohsin Mohi-ud-Din

Artist Performance:
Live Music – Unplugged by Faraz Yousufzai

5.00pm – 5.30pm

Workshop 6:
Hena Ashraf & Agah Permadi

Film Screening:
Compilation of Short Films by Iman Zawahry

5.30pm – 6.00pm

Workshop 7:
Zalfian Fuzi, Ariff Awaluddin & Soraya Yusof Talismail



The Marketplace of Creative Arts

Defining Youth and the Muslim World through Arts

18 - 19 May 2010 | Conference Hall 2

19 MAY 2010

2.00pm – 2.30pm

Film Screening:
I'M MUSLIM TOO! Heading to the border (sequel)
by Zan Azlee



2.30pm – 3.00pm

Film Screening:
Short Documentary Films by May Abdalla
Artistic Performance:
Live Music – Zerobridge by Mohsin &
Mubashir Mohi-ud-Din



3.00pm – 3.30pm

Film Screening:
[No Title] by Yusuf Misdaq

3.30pm – 4.00pm

Film Screening:
Short Films Compilation by Nabil Abou-Harb
Artistic Performance:
Soundscapes by Shahril Bahar

4.00pm – 4.30pm

Film Screening:
Short Films Compilation by Hena Ashraf

4.30pm – 5.00pm

Film Screening:
Short Films Compilation
by Faculty of Artistic & Creative Technology, UiTM
Artistic Performance:
Live Music – Unplugged by Faraz Yousufzai



5.00pm – 5.30pm

Film Screening:
A Son's Sacrifice by Musa Syeed





Programmes

Pre-Forum 18 May 2010

WIEF Businesswomen Forum

Capitalizing on Women Potentials in Business

8.00 am - 9.00 am	<div>REGISTRATION</div> <div>Arrival of Delegates, Guests and VIPs</div>
9.00 am - 10.00 am	<div>JOINT OPENING CEREMONY</div> <div>Quran recital</div> <div>Welcoming Speeches by:</div> <div><div>- Dato’ Sri Nazir Abdul Razak – Chairman, WIEF Young Leaders Network</div><div>- Dato’ Dr. Norraesah Mohamad – Chairman, WIEF Businesswomen Network</div></div> <div>Speech by:</div> <div>Hon. Tun Musa Hitam – Chairman, WIEF Foundation</div> <div>Keynote Address and Opening of Pre-Forum & Exhibitions by:</div> <div>Hon. Tan Sri Muhyiddin bin Hj Mohd. Yassin – Deputy Prime Minister of Malaysia</div>
10.00am – 10.20am	<div>REFRESHMENTS / INFORMAL NETWORKING</div>
10.20am – 11.20am	<div>PLENARY 1: CEO EXCHANGE:</div> <div>Making a Difference: Women and Meaning of Success</div> <div>Combined efforts are often more powerful than one person’s effort and women in general are risk takers who embrace changes to protect her family and bring about a difference in her community. This group of women leaders will discuss the changing roles of women in today’s society and the true meaning of success.</div> <div>Speakers:</div> <div><div>- HRH Princess Lolowah Al-Faisal – Vice Chair of the Board of Trustees & General Supervisor, Effat University, Kingdom of Saudi Arabia</div><div>- Tan Sri Rafidah Aziz – Member of Parliament and former Minister of International Trade and Industry, Malaysia</div><div>- Ms. Evelyn Mungai – Immediate Past President and Founder, All Africa Businesswomen’s Association (AABA), and Executive Chairman, Speedway Investments Ltd. and Glendale Properties Ltd, Kenya</div></div> <div>Moderator:</div> <div>- Dato’ Dr. Norraesah Mohamad – Chairman, WIEF Businesswomen Network</div>

11.20am – 12.15pm	<div>PLENARY 2: OPPORTUNITY IN CRISIS:</div> <div>Identifying New Dynamics</div> <div>The economic and financial crisis have seen women entrepreneurs rising above the challenges to continue to maintain their businesses. However, there is a danger that women entrepreneurs think too small – that they are unable to see the extraordinary opportunity it presents. The speakers in this session will discuss on:</div> <div><div>- the need to identify the crises, the challenges and the new dynamics resulting from it</div><div>- the importance to identify the opportunities and the risks, and how to manage them more effectively</div><div>- changing role of women entrepreneurs and their position in the future global system</div></div> <div>Speakers:</div> <div><div>- Ms. Douja Gharbi – President & Founder, DG Group, Tunisia</div><div>- Datin Paduka Hajjah Rokiah Zakiah – President, Brunei Women’s Business Council, Brunei</div><div>- Ms. Cherie Nursalim – Executive Director, GITI Group, Singapore</div></div> <div>Moderator:</div> <div>Mr. Ian Buchanan – Senior Executive Advisor, Booz & Company</div>
12.30pm – 2.00pm	<div>LUNCH & SPECIAL LUNCHEON ADDRESS</div> <div>“Capitalising Youth & Women Potentials in Business”</div> <div>by Hon. Datin Paduka Seri Rosmah Mansor, Wife of the Hon. Prime Minister of Malaysia</div> <div>Moderator:</div> <div>Mr. Essa Al Ghurair – Vice Chairman, Al Ghurair Investment LLC, UAE</div>



Pre-Forum

18 May 2010

WIEF Businesswomen Forum

Capitalizing on Women Potentials in Business

2.00pm – 3.00pm

PLENARY 3:
Promoting Professionalism & Talent Through Training and Education
All of us have inherent talents, some tapped, some waiting to be awakened. However in current times, it takes more than talents. Women entrepreneurs need to look and strategize to become leaders of their respective industries and professions. Enhancing professionalism and improving their knowledge through training and education, not just for themselves but also those of their employees, would help achieve their aim of standing one head above their competitors. The speakers in this session will share their thoughts on:

- the importance of promoting the continuing recruitment of professional talent and enhancement of individual careers
- role of associations and government in promoting skills development, especially for SMEs in the current Internet age
- the importance of training, education and talent to help improve business performance

Speakers:

- Mrs. Khadijah Abdullah – Chief Executive Officer, Malaysian Insurance Institute
- Mrs. Abda El-Mahdi – Managing Director, Unicons Consultancy Ltd, Sudan
- Dr. Hadja. Luningning Misuarez-Umar – Commissioner, Commission of Higher Education & Chair, University of South Mindanao Board of Regents, Philippines

Moderator:
Ms. Tanya Bunker – Vice President of Programmes, Global Women’s Leadership Network, Santa Clara University, US

3.00pm – 4.00pm

PLENARY 4:
Breaking Through in Business: Different Needs, Varying Challenges
Women entrepreneurs around the world face numerous challenges and obstacles to either commence operations or improve their business performance. However, most of these challenges could be remedied through innovative solutions. The speakers in this session will discuss on:

- the importance of identifying quantifiable goals and measuring business progress toward set goals
- the need to record barriers and breakthroughs
- working with the system to get ahead

Speakers:

- Ms. Reem Barghouty – President, Jordan Forum for Business and Professional Women, Jordan
- Ms. Munirah Hamid – Managing Director, Neuramatix Sdn Bhd & Executive Director, Malaysian Genomics Resource Centre Berhad, Malaysia
- Ms. Anna J H Fang – Director, anna fang public relations, Hong Kong

Moderator:
Ms. Baria Alamuddin – Editor, Media Services Syndicate & Foreign Editor, Al Hayat

4.00pm – 5.00pm

PLENARY 5:
Industries in Focus: Food / Education / Tourism / Healthcare
The speakers in this session will share their thoughts and experiences as well as challenges and opportunities available in these industry sectors.

Speakers:

- Ms. ZamZam Maalim Rashid Mtanda – Chairperson, Tanzania Women Society Group / All African Travel and Tourism Association
- Dato’ Dr. Zainuddin Wazir – Chief Executive Officer & Founder, Allianze College Medical Sciences, Malaysia
- Ms. Anni Brownjohn – President, The Right Food Group, Australia
- Tan Sri Mohamed Khatib Abdul Hamid – Chairman, Pantai Holdings Berhad, Malaysia

Moderator:
Ms. Rinalia Abdul Rahim – Managing Director, Compass Rose Sdn Bhd, Malaysia

5.00pm

END OF PROGRAMME / REFRESHMENTS

Pre-Forum

18 May 2010

WIEF Young Leaders Forum

Defining the Muslim Youth in the 21st Century

8.00 am -
9.00 am

REGISTRATION

Arrival of Delegates, Guests and VIPs

9.00 am -
10.00 am

JOINT OPENING CEREMONY

Quran recital

Welcoming Speeches by:

- Dato’ Sri Nazir Abdul Razak – Chairman, WIEF Young Leaders Network

- Dato’ Dr. Norraesah Mohamad – Chairman, WIEF Businesswomen Network

Speech by:

Hon. Tun Musa Hitam – Chairman, WIEF Foundation

Keynote Address and Opening of Pre-Forum & Exhibitions by:

Hon. Tan Sri Muhyiddin bin Hj Mohd. Yassin – Deputy Prime Minister of Malaysia

10.00am –
10.20am

REFRESHMENTS / INFORMAL NETWORKING

10.20am –
11.20am

PLENARY 1:

Empowering Leaders of Tomorrow: Connect and Collaborate

The population of the Muslim world is getting younger; around 65% of the population is below the age of 30. In the next few decades, these young people will assume positions of leadership in various facets of society. It is therefore imperative to cultivate this next generation of leaders by empowering them; by giving them more opportunities to further their education, by mentoring them, and most importantly by getting them involved and giving them responsibilities which will create and give them a feeling of ownership of the future in their hands.

- Are we doing enough in getting the youth involved?

- How can internships also be used as a tool for empowerment?

- How can we connect and collaborate more effectively with the youth?

Speakers:

- Dato’ Sri Nazir Razak – Chairman, WIEF Young Leaders Network

- Sir Iqbal Sacranie – Chairman, MCB Charitable Foundation, UK

- Ms. Nadia Roumani – Co-Founder & Director, America Muslim Civic Leadership Institute, USA

- Mr. Omer Yenidogan – CEO, TEB Asset Management, Turkey

Moderator:

- Ms. Sumaya Kazi – Executive Director, The CulturalConnect, USA

11.20am –
12.20pm

PLENARY 2: GOING GREEN:

Tackling the New Blue Tackling the New Blue

With an alarming increase in pollution across the globe, climate change seems to be central in the agenda of many countries. In the Muslim world, the green agenda seems to be received with mixed feelings as vested interest in the oil and gas industry still commands a strong influence on the policy maker’s table. But the green industry is also about the demand for change, and demand for a cleaner earth and that voice is growing stronger in the Muslim world. It can also be argued that a more polluted Muslim world would incur greater cost to clean up in the future.

- What is the policy landscape with regard to the Green Industry in the Muslim world?

- How big is the market share for Green technology?

- How can local businesses play a role viz. the established multinational players in the Green market? Can they clean up and get returns?

- What is the opportunity cost of circumventing the Green agenda?

Speakers:

- Mr. Omar Faruk – Founder Director, EcoMuslim, United Kingdom

- Ms. Sofiah Jamil – Research Analyst, The Centre for NTS Studies, RSIS, Nanyang Technological University, Singapore

- Mr. Andrew WK Chan, Executive Director, Sustainability Solutions, PricewaterhouseCoopers Advisory Services Sdn Bhd, Malaysia

- Mr. Azran Osman Rani – Chief Executive Officer, Air Asia X, Malaysia

Moderator:

- Mr. Steve McCoy – Founder and Principal, Counterpoint, Malaysia

Pre-Forum

18 May 2010

WIEF Young Leaders Forum

Defining the Muslim Youth in the 21st Century

12.30pm – 2.00pm	<div>LUNCH & SPECIAL LUNCHEON ADDRESS</div> <div>“Capitalising Youth & Women Potentials in Business”</div> <div>by Hon. Datin Paduka Seri Rosmah Mansor, Wife of the Hon. Prime Minister of Malaysia</div> <div>Moderator:</div> <div>Mr. Essa Al Ghurair – Vice Chairman, Al Ghurair Investment LLC, UAE</div>
2.00pm – 3.00pm	<div>PLENARY 3: TAKING THE STAIRS:</div> <div>Driving the Spirit of Entrepreneurship and Leadership</div> <div>Don’t stand and wait for the opportunities to come. Get up and make them! Think about someone waiting for an elevator, to get to the 50th floor, and the elevator is broken. The person is faced with two options; leave or take the stairs. To leave is to quit, whereas to take the stairs is to have the willpower to move forward and succeed. “If the lift is broken, I’ll take the stairs” - this is the entrepreneurship spirit that needs to be instilled in the youth. In the quest of entrepreneurship, one needs to manage people and steer them towards the same objective. One needs to be a leader to lead other people to success.</div> <div><div>- What is the role of educational institutions in inculcating entrepreneurship spirit?</div><div>- Is our present culture conducive to the spirit of entrepreneurship?</div><div>- What can governments do to help galvanise the spirit of entrepreneurship in local businesses?</div><div>- How does the spirit of entrepreneurship translate into leadership?</div></div> <div>Speakers:</div> <div><div>- Mr. Wan Saiful Wan Jan – Chief Executive, Institute for Democracy and Economic Affairs (IDEAS), Malaysia</div><div>- Mr. Aziz Senni – Founder of the Young Entrepreneurs Association of France</div><div>- Tengku Farith Rithauddeen – Group CEO, Skali, Malaysia</div><div>- Ms. Toni S. Leviste – Managing Director, Leviste Equestrian Management, Inc, The Philippines</div></div> <div>Moderator:</div> <div>Ms. Atia Riaz – Product Manager, JP Morgan, United Kingdom</div>

3.00pm – 4.00pm	<div>PLENARY 4: IDENTITY IN THE 21st CENTURY:</div> <div>Investing in the Future of Creative Arts</div> <div>In the pursuit of modernity, let us not forget that arts and culture remains a cornerstone of civilisation. Creative pursuits among the youth are healthy forms of self-expression. These pursuits can take the form of writing, visual arts, performing arts, music, sculpture, poetry, and architecture. The creative arts help promote a certain Muslim identity. Creative arts can tell stories of people and communities, aid peace efforts as well as economic advancement. The creative industry is vast but needs support to grow to its maximum potential.</div> <div><div>- What is the status of creative arts in the Muslim world?</div><div>- Is religion an impediment to the flourishing of the Arts?</div><div>- What is the realistic potential of the creative industry in the Muslim world?</div><div>- How can the Muslim world identify potential talents and develop them?</div><div>- Is there a way to institutionalise creative arts in the Muslim world?</div></div> <div>Speakers:</div> <div><div>- Mr. Tarek Atrissi – Creative Designer, Tarek Atrissi Design, The Netherlands</div><div>- Mr. Madny Al Bakry – Calligraffiti artist, Sultanate of Oman</div><div>- Mr. Zalfian Fuzi – Theatre Director, The Instant Cafe Theatre Company, Malaysia</div><div>- Ms. Reem Hussein – Painter and Calligraphy artist, USA</div></div> <div>Moderator:</div> <div>- Ms. Nadia Janjua – Artist, Architect and Designer of NJArtitecture, USA</div>
-----------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

4.00pm

END OF PROGRAMME / REFRESHMENTS



Main Forum: Day 1

19 May 2010

6th World Islamic Economic Forum

Gearing for Economic Resurgence

7.00am – 9.00am	REGISTRATION Arrival of Delegates, Guests and VIPs
9.00 am - 12.00 am	OPENING CEREMONY Quran recital Welcoming Speech by: Hon. Tun Musa Hitam, Chairman, WIEF Foundation Keynote Address and Official Opening of the 6 th WIEF by Hon. Dato’ Sri Najib Tun Abdul Razak, Prime Minister of Malaysia & Patron, WIEF Foundation Special Addresses by - HM Sultan Hassanal Bolkiah, Brunei Darussalam - H.E. Abdoulaye Wade – President, Republic of Senegal - H.E. Dr. Susilo Bambang Yudhoyono – President, Republic of Indonesia - H.E. Dr. Fatmir Sejdiu – President, Republic of Kosovo - H.E. Mohamed Nasheed – President, Republic of Maldives - H.E. Sheikh Hasina – Prime Minister, People’s Republic of Bangladesh Signing of Agreements
12.00pm – 1.30pm	LUNCH
1.30pm – 3.00pm	PLENARY 1: LEADERSHIP PANEL: Leadership Challenges for the New Era These are unprecedented times and no one has all the answers. However, the leaders who have made their mark, have managed to lead when global issues were different but no less pressing. With threats from gains that have been made and new challenges, leaders share experiences, insights, issues and concerns. What are the transformation challenges for the new era? What are the socioeconomic challenges that should be tackled? What are the issues that could underpin the success of any national socioeconomic development programme?

	Panelists: - Hon. Tun Abdullah Ahmad Badawi, Former Prime Minister of Malaysia - H.E. Shaukat Aziz, Former Prime Minister of Pakistan - H.E. Chris Bowen, Minister for Financial Services, Superannuation and Corporate Law, and Minister for Human Resources, Australia. - H.E. Dr. Ahmed Mohamed Ali, President, Islamic Development Bank Moderator: H.E. Dr. Surin Pitsuwan, Secretary General of ASEAN
3.00pm – 4.30pm	PLENARY 2: THE BUSINESS OF INNOVATION: Wiring For New Needs In challenging business environment, companies need to innovate it’s technologies, strategies and business models to achieve sustainability in the long run. Periodical reviews of operating plans are necessary to pre-empt new business competitors. The outsourcing phenomenon is one of the key examples of how businesses have rewired to fit into current demands. Ultimately the essence of innovation is to ensure that businesses are more efficient, more cost effective, and more productive with a finger on the consumers’ pulse. The more powerful the innovation, the more the company’s presence is secured in the business arena. What are the impacts of continued reinvention and renewal on the business bottom-line? How can consumer insight determine innovation? What are the market dynamics and how can upgrade and fit into the eco-system of innovation? Speakers: - H.E. Dr. Atta-ur-Rahman – FRS, Coordinator General, OIC Standing Committee on Scientific and Technological Cooperation (COMSTECH) - Prof. Datin Paduka Dr. Khatijah Bt Mohd Yusoff – Deputy Secretary General (Science), Ministry of Science, Technology & Innovation, Malaysia - Dr. Halil Kulluk – Chairman, Intekno Group of Companies, Turkey - Ms. Natalie Day – Director, Atlas of Islamic World Science and Innovation Project & Senior Policy Adviser, Royal Society Science Policy Centre, United Kingdom - Datuk Ghazi Sheikh Ramli – Founder and President of Malaysian Association of Creativity and Innovation (MACRI) - Sir Martin Sorrell – Group Chief Executive, WPP, UK Moderator: Tan Sri Zarinah Anwar – Chairman, Securities Commission, Malaysia

Main Forum: Day 1 19 May 2010

6th World Islamic Economic Forum

Gearing for Economic Resurgence

4.30pm – 6.30pm

PLENARY 3: COUNTRIES IN FOCUS - A: Business, Trade & Investment Opportunities

A signature session for the WIEF where speakers would showcase the business and investment opportunities available in the selected countries and to promote collaboration across borders. Speakers will highlight the guidelines to doing business in the countries concerned, the incentives given, updates on specific projects, if any and other related issues of interest to investors and businessmen. The session will provide an excellent opportunity for participants to interact with policy makers and entrepreneurs from the respective countries

Speakers:

- H.E. Lamia Merei Assi – Minister of Economy and Trade, Syria
- H.E. Aminata Niane – Director General, Agence Nationale Chargée de la Promotion de l'Investissement et des Grands Travaux, Senegal
- Mr. Gita Wirjawan – Chairman, Investment Coordinating Board of Indonesia
- H.E. Dr. Seyed Shamseddin Hosseini – Minister of Finance, Iran
- H.E. Senator Waqar Ahmad Khan – Minister for Privatization, Pakistan

Moderator:

Mr. Tanri Abeng – Chairman, PT Telkom Indonesia

PLENARY 3: COUNTRIES IN FOCUS - B: Business, Trade & Investment Opportunities

Speakers:

- Hon. Dato’ Sri Mustapa Mohamed – Minister of International Trade and Industry, Malaysia
- H.E. Aset Issekeshv – Deputy Prime Minister & Minister of Industry and Trade, Kazakhstan
- H.E. Salman Khurshid – Minister of State for Corporate Affairs & Minority Affairs, India
- H.E. Muhammad Faruk Khan – Minister for Commerce, Bangladesh

Moderator:

Mr. Salahuddin Kasem Khan – Chairman, SEACO Task Force, Bangladesh & Managing Director & CEO, AK Khan & Co. Ltd, Bangladesh

6.30pm

REFRESHMENTS / INFORMAL NETWORKING

7.30pm – 10.30pm

GALA DINNER Hosted by the Prime Minister of Malaysia



Main Forum: Day 2

20 May 2010

6th World Islamic Economic Forum

Gearing for Economic Resurgence

9.00am –
10.30am

PARALLEL SESSIONS

The aim of each parallel session is to garner ideas and exchanges related to the particular topic, bringing together the leaders, the small and medium companies to interact with each other.

SESSION 1: TAPPING TOURISM POTENTIALS: Putting Resources to Work

The economic contribution of tourism cannot be downplayed. With comprehensive marketing strategies and the internet revolution, more destinations are being touted as “the place” to spend vacations. The ability to tap this essential industry depends on positioning strategy and identity, innovation and destination branding to ride the tourism tidal wave. With travelling seen as a necessity than a luxury, there is a need to understand demographics, hospitality development, social issues and policies surrounding the tourism industry. What are the new concepts in the international tourism arena? What are the cross cultural management issues to consider?

Speakers:

- H.E. MEC Michael Mabuyakhulu – Ministry of Economic Development and Tourism, Kwazulu Natal Provincial Government, South Africa
- Datuk Dr. Victor Wee – Chairman, Tourism Malaysia
- H.E. Dr. Ahmed Ali Sawad – Minister of Tourism, Arts and Culture, Republic of Maldives

Moderator:

Mr. Ebrahim Pate – Chief Executive Officer, Magellan Investment Management, South Africa

SESSION 2: INTEGRATING LOGISTICS: Building Competitiveness in Freight and Transport

Logistics is one key area of the supply chain that is growing at a rapid rate as the Internet is drastically changing the range, delivery time and the speed of information. In this fast moving sector, many emerging economies remain the most dynamic market for the logistics industry. How do logistics providers in these countries compete in the global supply chain industry? What are the challenges of logistics management? What are the essential elements of supply and logistics chain that need to be addressed? Is enough research and development done to create a centre for future value chain especially in emerging economies?

Keynote Address:

H.E. Isaac Musumba – Minister of State for Regional Cooperation, Uganda

Speakers:

- Mr. Paul W. Bradley – Chairman & Chief Executive Officer, Caprica International, Singapore
- Mr. Ahmad Luqman Mohd Azmi – Senior Manager – Regional Sales, MASkargo Sdn Bhd, Malaysia
- Mr. Edward Clayton – Country Director & Global Transport Lead, Booz & Company, Malaysia
- Mr. Konstantin A Markelov – Chairman, Astrakhan Region Government, Russian Federation

Moderator:

Mr. Mark Millar – Managing Director, MPower Associates, Advisor, Hong Kong Logistics Research Centre & Chairman, International Relations Committee, Hong Kong Logistics Association

SESSION 3: EMPOWERING SMEs: Turning Size into a Comparative Advantage

SMEs have often been recognized as the silent drivers of nations economies. Their potential of growth has often been recognized but in troubled times, the entreprenuring spirit of the SMEs have held their heads above water. Founded on strong enterprise, risk-taking and resilience in the face of oppositions and hurdles, SMEs have time and again shown ability to generate growth and employment undaunted by economic conditions. By virtue of their significant contribution to GDP, industrial production and exports, SMEs are now considered as economic saviours. What are the constraints and the changes required which could convert the challenges to opportunities so that the SMEs sector remained in the economic forefront? How can they be fuelled for growth in the light of changing economic structures? What lies ahead for the SMEs?

Speakers:

- Dato’ Hafsa Hashim – Chief Executive Officer, SME Corporation (SME Corp.), Malaysia
- Mr. Tariq Sayeed – Chairman, South Asia Association for Regional Cooperation (SAARC)
- Dr. Belaid Rettab – Senior Director, Economic Research & Sustainable Business Development, Dubai Chamber of Commerce and Industry, UAE
- Mr. Chung Tong-Soo – Former Head, Invest Korea
- Mr. Sevkett Can Tulumen – Member of Executive Board & Chairman, Foreign Relations Committee, Independent Industrialist and Businessmen’s Association (MUSIAD), Turkey

Moderator:

Dr. Alberto G. Brugnoli – Founder & Chairman of the Board, Association for the Development of Instruments of Alternatives and Financial Innovation (ASSAIF), Italy

Main Forum: Day 2

20 May 2010

6th World Islamic Economic Forum

Gearing for Economic Resurgence

SESSION 4: TACKLING A THIRSTY WORLD: The Business Case for Water

This is the time for water and money. In these days of uncertainty, the big blue offers a dependability which has disappeared from the rest of the economy. As climate change and population growth leads to an ever more desperate search for water resources, the appeal of water becomes inexorable. At the same time, water needs capital and the global financial crisis has affected the public and private sector alike. What does this mean for the industry, and what is the way ahead? What new models are evolving for financing water projects? How does the dependability of water make a difference in a world of volatility? What is the role of desalination in the future of the water sector? Can new technologies make the difference? Where can we invest to make the most of the new situation? Is it possible to pursue our water needs and protect the environment?

Speakers:

- Mr. Kadri Ozen – Public Affairs Director, The Coca-Cola Company, Eurasia and Africa Group
- Mr. Roger Lanoue – Chairman of the Board, International Secretariat for Water, Canada
- Ms. Anta Seck – Director of Management and Planning in Water Resources, Ministry of Urban Development, Housing, Construction and Hydraulics, Senegal
- Mr. Ali Naqvi – Senior Manager, Infrastructure Cluster, East Asia & Pacific, Infrastructure Department, International Finance Corporation, US

Moderator:

Dato’ Ruslan Hassan – Chief Executive Officer, Syarikat Bekalan Air Selangor (SYABAS), Malaysia

10.30am – 11.00am

REFRESHMENTS / INFORMAL NETWORKING

11.00am – 12.30pm

SESSION 5: ISLAMIC BRANDING: Myth or Reality?

There is a new big thing in the world of marketing - and it is green. Not the familiar grass-green of the environment, however, but a deeper green - the traditional colour of Islam. There are 1.6 billion Muslims worldwide - and the number is rising fast. Of these, only 20% belong to the Arab world, the majority being located in South and East Asia. Due to the huge market potential, is there a need for products to have Islamic branding? What are the common factors which can be said to define brands with Islamic characteristics? Which brands are successful in this way, emerging from the Islamic world? How can owners of brands in the Islamic world make their brands more successful and more relevant to the Muslim community (and others)? How can Western brands make their brands more relevant and therefore successful in the Islamic world?

Speakers:

- Mr. John Goodman – President, Ogilvy Group, Southeast Asia
- Dr. Abdulrahim Abdulwahid – Chief Executive Officer, Media Hub International LLC, UAE
- Mr. Martin Roll – Chief Executive Officer, Venture Republic, Singapore
- Dato’ Seri Jamil Bidin – Chief Executive Officer, Halal Industry Development Corporation (HDC), Malaysia
- Dr. Paul Temporal – Associate Fellow, Said Business School, Oxford University

Moderator:

Mr. James Beltran – Deputy Chairman, Melewar Holdings & Group Advisor, Malaysian Reserve

SESSION 6: CONNECTING MINDS : Leveraging Technology for Training and Education

The demographics in education have changed, and continue to change quickly and dramatically. Technology provides a wealth of opportunity to fulfill the ever-increasing needs of teachers and students. Technology is therefore crucial to enhance the interactivity between teachers and students. Some emerging countries have poorly developed education frameworks which greatly affect the intellectual capacity of its people, while others have an effective and sound education system that allows its people to specialise in various fields and expertise. Could technology help to bridge that gap? How could educational institutions, particularly in the Muslim countries collaborate with leading technology corporations as well as its counterparts in the more developed countries in the West?

Speakers:

- Dr. Haifa Reda Jamal Al-Lail – President, Effat University, Kingdom of Saudi Arabia
- Prof. William F. Miller – Professor of Public and Private Management, Graduate School of Business, Stanford University, and President & CEO Emeritus of SRI International
- Datuk Badlisham Ghazali – Chief Executive Officer, Multimedia Development Corporation (MDeC), Malaysia

Moderator:

Prof. Emeritus Dato’ Dr. M. Zawawi Ismail – Chairman, Universiti Sains Malaysia

Main Forum: Day 2

20 May 2010

6th World Islamic Economic Forum

Gearing for Economic Resurgence

SESSION 7: ETHICS IN BUSINESS : Balancing Bottom Line and Good Governance

In the increasingly conscience-focused marketplaces of the 21st century, the demand for more ethical business processes and actions is increasing. Simultaneously, pressure is applied on industry to improve business ethics through new public initiatives and laws. Businesses can often attain short-term gains by acting in an unethical fashion; however, such antics tend to undermine the economy over time. What are the challenges of creating an ethical culture during difficult times? What has proven successful in creating these ethical cultures? What measures of success are appropriate? What we can learn from those who have made mistakes in this effort?

Speakers:

- Mr. Hisham Hamdan – Managing Diretor, Energy and Utilities Division, Sime Darby Berhad, Malaysia
- Mr. Sigve Brekke – Executive Vice President and Head of Asia Operations, Telenor Group
- Dato’ Johan Raslan – Partner and Executive Chairman, Pricewaterhouse Coopers, Malaysia
- Dr. A. Riawan Amin – Chairman, Association of Islamic Banking Indonesia

Moderator:

Datuk Mohamed Azahari Kamil – Chief Executive Officer, Asian Finance Bank, Malaysia

SESSION 8: ISLAMIC BANKING AND FINANCE : Riding the Wave of Economic Transformation

With the search underway for a new monetary system for the post-financial crisis era, Islamic banking gains a new reputation for stability. Islamic banking has grown at an annual rate of 15% and reached a volume of \$1 trillion, five times higher than in 2003. With the financial crisis reaching its peak, more and more politicians and economists agree that yesterday’s financial world and tomorrow’s financial world will not have much in common. Are Islamic banks the financial institutions of the future? What are the challenges it would need to addressed?

Keynote Address:

Tan Sri Dr. Zeti Akhtar Aziz – Governor, Central Bank of Malaysia

Speakers:

- Mr. Humphrey Percy – Chief Executive Officer, Bank of London and the Middle East, UK
- Mr. Khaled Abdulla-Janahi – Executive Vice Chairman, Ithmaar Bank B.S.C. Bahrain
- Mr. John A. Sandwick – Specialist, Islamic Wealth & Asset Management, Switzerland
- Mr. Mumtaz Khan – Chief Executive Officer, Maybank MEACP Pte Ltd, Singapore

Moderator:

Mr. Iqbal Khan – Chief Executive Officer, Fajr Capital, UK

12.45pm –
2.15pm

LUNCH & SPECIAL LUNCHEON ADDRESS: Boosting UK Trade with the Islamic World: The Road Ahead

Invited Speakers:

HRH Prince Andrew – Duke of York & Special Trade and Investment Representative, UK.

Moderator:

Tan Sri Ahmad Fuzi bin Hj. Abdul Razak – Secretary General, WIEF Foundation

2.15pm –
3.45pm

PLENARY FOUR: GLOBAL CEO PANEL: The New Game Plan: Thriving in a Post-Crisis World

The new economic order demands foresight into the future. To survive, information has to be ready on demand. Collaboration, relationships and accessibility remain the key elements to create the balance necessary to make the leap from the old order to the new. Where bottom lines used to be the focus of a success, the lessons learnt thus far show that realistic expectations and aggressive management of these expectations will ensure that only the fittest survive. What is the organizational architecture needed for increased profit and value? How can agility, customer service, talent, management and reputation be reconciled to attain advantage as we pave the path to economic recovery?

Panelists:

- Tan Sri Azman bin Hj. Mokhtar – Managing Director, Khazanah Nasional, Malaysia
- Mr. Nasser Munjee – Chairman, Development Credit Bank Ltd & Chairman, Aga Khan Rural Support Programme, India
- Mr. Ian Powell – Chairman & Senior Partner, PwC UK & Middle East
- Mr. John Nugée – Senior Managing Director, State Street Global Advisors (SSGA) and Head of SSGA’s Official Institutions Group, UK
- Dato’ Sri Anthony F. Fernandes – Group Chief Executive Officer, AirAsia Berhad, Malaysia

Moderator:

Mr. John Defterios – President, FBC Media, UK

Main Forum: Day 2 20 May 2010

6th World Islamic Economic Forum

Gearing for Economic Resurgence

3.45pm – 5.15pm

SPECIAL LEADERS DIALOGUE ON CLIMATE CHANGE

Today climate change seriously affects 325 million people yearly, kills about 315,000 people a year through hunger, sickness and extreme weather, and causes global economic losses of over \$125 billion annually. These numbers are projected to rise substantially over the next 20 years. Urgent and ambitious global action must be taken to prevent dangerous climate change that could cause enormous human suffering, undermine economic progress and poverty reduction, and trigger potentially catastrophic environmental changes. What do communities and business organizations have to do with these phenomenon? The climate has always varied in the past, how is this any different? What are the impacts and solutions for climate change on nations and businesses in particular? How can individuals, communities, business organizations and governments help to collectively negate the threat? What are the challenges and obstacles ahead?

Keynote Address:

H.E. Mohamed Nasheed – President, Republic of Maldives

Commentators:

- H.E. Ruud Lubbers – Former Prime Minister of the Netherlands
- Dr. Jyoti Parikh – Executive Director, Integrated Research and Action for Development (IRADe) & Member, Prime Minister’s Climate Council, India
- Mr. Gurmit Singh – Chairman, Centre for Environment, Technology & Development (CETDEM), Malaysia
- Mr Ibrahim Thiaw – Director, Division of Policy Implementation, UNEP

Moderator:

Hon. Tun Musa Hitam – Chairman, WIEF Foundation

5.15pm – 5.45pm

CONCLUDING SESSION

6th WIEF Kuala Lumpur Declaration read by

Tan Sri Ahmad Fuzi bin Hj. Abdul Razak – Secretary General, WIEF Foundation

Special Address by:

H.E. Aset Issekeshev – Deputy Prime Minister & Minister of Industry and Trade, Kazakhstan

Vote of Thanks by:

Hon. Tun Musa Hitam – Chairman, WIEF

5.45pm

END OF FORUM & REFRESHMENTS



Galleries & Acknowledgements



People and Colours of the Forum



People and Colours of the Forum



People and Colours of the Forum



Permanent Secretariat in Action



WIEF International Advisory Panel Meeting



The bi-annual WIEF International Advisory Panel Meeting was held on 17 May 2010 at the WIEF Permanent Secretariat Office at Kompleks Antarabangsa, Kuala Lumpur. The meeting held regularly in different parts of the world, was attended by the members of the panel which consist of heads of business, international and regional organizations and members of the academic community. The meeting discussed the WIEF Foundation's progress thus far, the day-to-day development of the 6th WIEF, and the future plan ahead for the annual Forum.



WIEF International Advisory Panel Meeting



6th WIEF Sponsors



Platinum

Gold

Silver

6th WIEF Partners



Official Airline



Official Car



Global Knowledge



Public Relations



Technology



Supporting Hotel



Exclusive Souvenir



Media Partners



About WIEF Foundation

Patron, Founder Patron and Honorary Members



PATRON
DATO' SRI NAJIB TUN ABDUL RAZAK
Prime Minister of Malaysia



HONORARY MEMBER
DR. SUSILO BAMBANG YUDHOYONO
President of Indonesia



FOUNDER PATRON
TUN ABDULLAH AHMAD BADAWI
Former Prime Minister of Malaysia



HONORARY MEMBER
DR. AHMED MOHAMED ALI
President of Islamic Development Bank

Board of Trustees and Chairpersons of WIEF Initiatives

Chairman & Board of Trustees



TUN MUSA HITAM
CHAIRMAN
Chairman, Sime Darby Berhad.
Former Deputy Prime Minister of Malaysia



TAN SRI DR. WAN MOHD ZAHID MOHD NOORDIN
TRUSTEE
Chairman, Management and Science University (MSU) and MARA University of Technology (UiTM)



DATO' DR. NORRAESAH MOHAMAD
TRUSTEE
Chairman, Embunaz Ventures Sdn. Bhd.

Chairperson of WIEF Initiatives



TAN SRI DR. WAN MOHD ZAHID MOHD NOORDIN
WIEF Education Trust (WET)



DATO' DR. NORRAESAH MOHAMAD
WIEF Businesswomen Network (WBN)



DATO' SRI NAZIR RAZAK
WIEF Young Leaders Network (WYN)

About WIEF Foundation

Corporate Members & Supporting Organisations

Foundation Donors



Corporate Members



Supporting Organisations

Collaboration is one of the main thrusts of the WIEF Foundation. We believe that with the support of organisations, we can make a positive difference in the economic well-being of nations and communities worldwide.



Organization of the Islamic Conference (OIC)



Islamic Educational, Scientific and Cultural Organization (ISESCO)



Islamic Chamber of Commerce and Industry (ICCI)



Müstakil Sanayici ve İşadamları Derneği (MUSIAD)



Islamic Development Bank (IDB)



Muslim Council of Britain (MCB)



Islamic Centre For Development of Trade (ICDT)

About WIEF Foundation

WIEF International Advisory Panel



TUN MUSA HITAM
CHAIRMAN
World Islamic Economic
Forum Foundation



**DATO' DR. NORRAESAH
MOHAMAD**
CHAIRMAN
Embunaz Ventures Sdn Bhd,
Malaysia



MR. ALLAL RACHDI
DIRECTOR GENERAL
Islamic Centre for Development
and Trade



MR. ESSA AL-GHURAIR
VICE CHAIRMAN
Al-Ghurair Investment, UAE



SIR IQBAL SACRANIE
CHAIRMAN
MCB Charitable Foundation,
UK



**TAN SRI DR. WAN MOHD
ZAHID MOHD NOORDIN**
CHAIRMAN
Universiti Teknologi MARA,
Malaysia



DR. ABDULAZIZ OTHMAN
DIRECTOR GENERAL
Islamic Educational, Scientific
and Cultural Organization
(ISESCO)



MR. EBRAHIM PATEL
CEO
Magellan Investment
Management,
South Africa



MR. IAN BUCHANAN
SENIOR EXECUTIVE
ADVISOR
Booz & Company,
Australia



**MRS. OLIVE ZAITOUN
KIGONGO**
PRESIDENT
Uganda National Chamber of
Commerce and Industry



**MR. OMER CIHAD
VARDAN**
CHAIRMAN
Independent Industrialist and
Businessmen's Association
(MUSIAD), Turkey



**SHEIKH SALEH
ABDULLAH KAMEL**
PRESIDENT
Islamic Chamber of
Commerce and Industry,
Saudi Arabia



MR. TARIQ SAYEED
CHAIRMAN
SAARC, Building Committee
Trust, Pakistan



MR. AHMAD HARIRI
DIRECTOR, COUNTRY
OPERATIONS DIVISION -1 (ASIA)
Islamic Development Bank
(IDB)



**MR. SALAHUDDIN
KASEM KHAN**
CHAIRMAN
SEACO Task Force,
Bangladesh





MR. TANRI ABENG
FOUNDER & CHAIRMAN
Executive Centre for Global
Leadership, Indonesia









**DATO' VASEEHAR
HASSAN**
DIRECTOR
Dallah Albaraka Group,
Malaysia

About WIEF Foundation

Permanent Secretariat

	TAN SRI AHMAD FUZI BIN HJ. ABDUL RAZAK SECRETARY GENERAL		SYED ABU BAKAR ALMOHDZAR MANAGING DIRECTOR
	MAZWIN MEOR AHMAD EXECUTIVE DIRECTOR		JACKIE MAH CHIEF FINANCIAL OFFICER
	FAZIL IRWAN SOM DIRECTOR		DAVID EMIR BARENG ABDULLAH SENIOR MANAGER, MARKETING
	NORAZUWA MOHD ISA SENIOR MANAGER, PROJECTS		FADZILLA MOHD ALI ASSISTANT FINANCE MANAGER
	WAN NOR AZILAHANIM EXECUTIVE SECRETARY		

	TAMARA KHALID AL HITI EXECUTIVE		SAID HAMADI SAID MOHAMED EXECUTIVE
	MOHAMMED ALIOU EXECUTIVE, PROJECTS		AZRINA AHMAD MARKETING EXECUTIVE
	IZRAN AL AMIN PROJECT COORDINATOR		DAHLIA ABD RAHMAN ADMINISTRATIVE COORDINATOR



WIEF
FOUNDATION

the 6th

6TH WORLD ISLAMIC ECONOMIC FORUM GEARING FOR ECONOMIC RESURGENCE

MALAYSIA



MEDIA P



الوطن

الموآ

SME

Islamic Fin

Acknowledgements

The World Islamic Economic Forum (WIEF) Foundation wishes to acknowledge the following for their support and contribution towards the 6th WIEF:

HON. DATO' SRI NAJIB TUN ABDUL RAZAK

Prime Minister of Malaysia and Patron of WIEF Foundation

HM SULTAN HASSANAL BOLKIAH

Sultan of Brunei Darussalam

H.E. ABDOULAYE WADE

President of Senegal

H.E. DR. SUSILO BAMBANG YUDHOYONO

President of the Republic of Indonesia

H.E. DR. FATMIR SEJDIU

President of the Republic of Kosovo

H.E. MOHAMED NASHEED

President of the Republic of Maldives

H.E. SHEIKH HASINA

Prime Minister of the People's Republic of Bangladesh

All Distinguished Speakers and Moderators for their invaluable time and effort in providing a rich discussion and for sharing their wealth of information for the benefit of the delegates.