

WIEF – SEACO FOUNDATION
Dhaka Roundtable 2019

REGIONAL COLLABORATION: TRANSFORMING ECONOMIES

29 October 2019 | Radisson Blu Dhaka Water Garden, Dhaka, Bangladesh

Catalyzing Growth and FDI through Infrastructure & Blockchain Sukuk

Khalid Howladar
Managing Director

Organiser



Joint Organiser

SEACO
South East Asian Co-operation
FOUNDATION

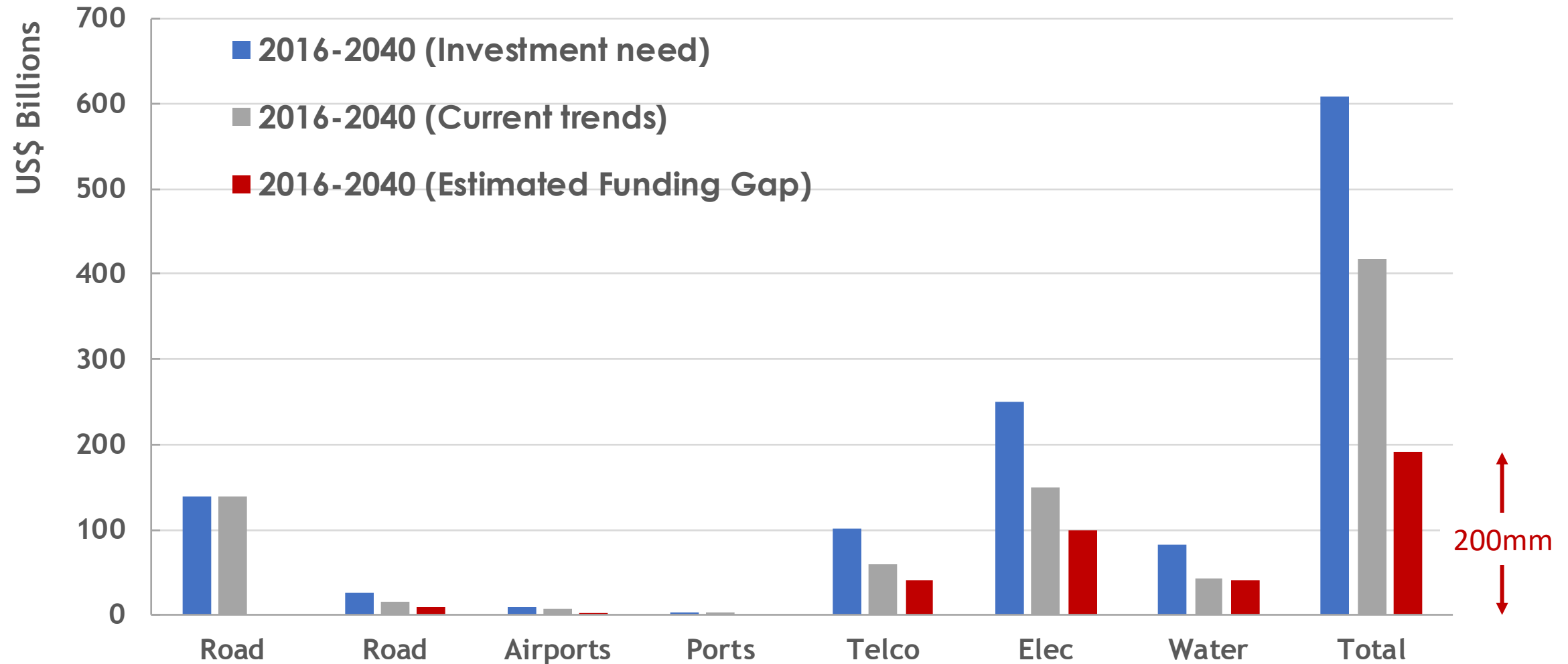


Agenda – Sukuk for Macro & Micro FDI

- 1. Filling the \$200Bn in infrastructure funding gap**
- 2. Blockchain sukuk for microfinance securitization**



Bangladesh will need FDI to fill US\$200 billion gap

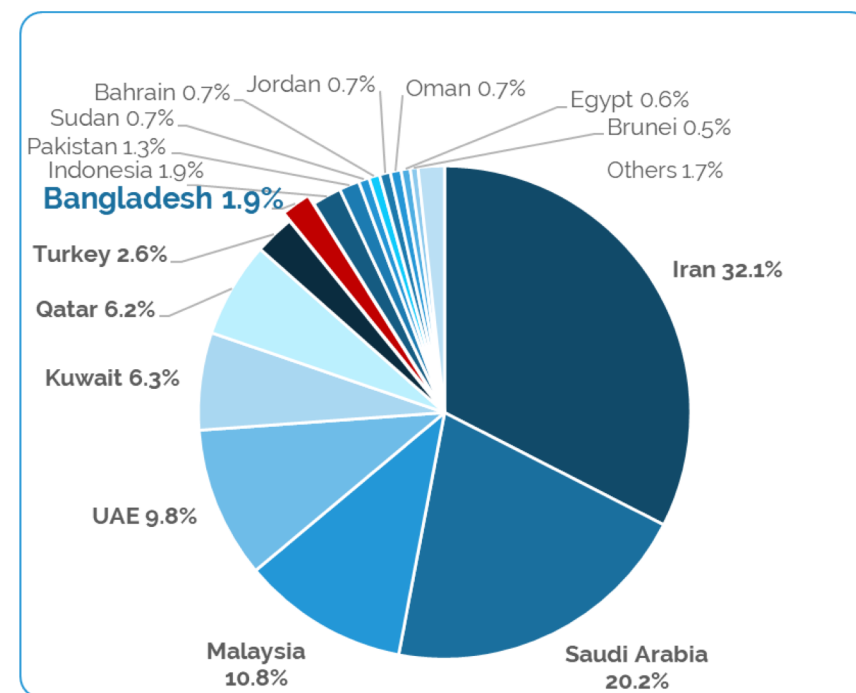


Islamic Finance sector assets are ~US\$2.2 Trillion

GLOBAL ISLAMIC FINANCE ASSETS

REGION	Banking Assets	Sukuk Market	Islamic Funds	Takaful Prm	TOTAL	SHARE
US\$ Billions						
Asia	266	323	24	4	618	28.20%
Bangladesh	~30	~1.0	~0.0	~0.03		~1.4%
GCC	708	188	23	12	927	42.30%
MENA (ex-GCC)	540	0	0	10	551	25.10%
Africa (ex-North)	13	3	2	0	17	0.80%
Others	47	17	13	-	77	3.50%
Total	1575	530	62	26	2190	

BANKING ASSETS



Infrastructure and PPPs are Perfect for Sukuk

Key Shariah financing principles crucial from a capital markets standpoint are that it encourages investors to:

1. fund tangible, real economy, productive **assets**
 2. become business/project **partners** and
 3. to **share** the **profits** and **risk** in the project
- ...instead of being unsecured creditors.

Raising debt for general or non-productive consumption is discouraged.

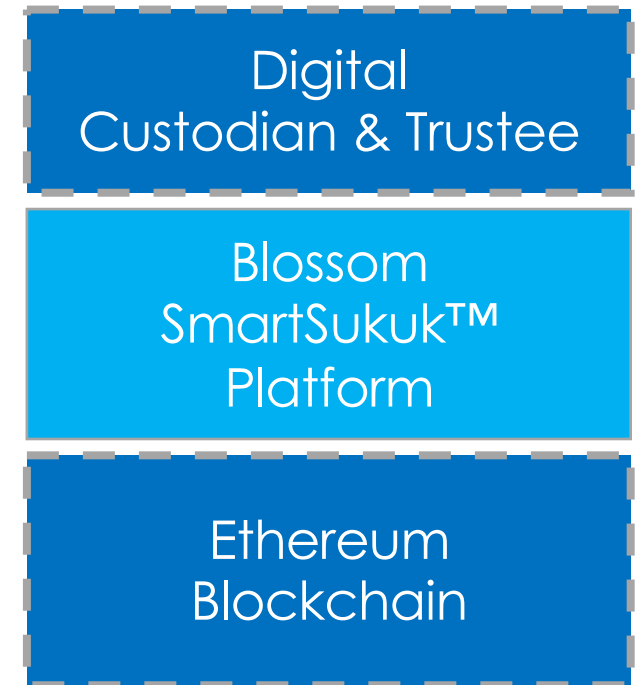
Blockchain Sukuk – Lower Cost and Efficiency

Smaller sukuk \$1000 are possible with Smart Contracts technology



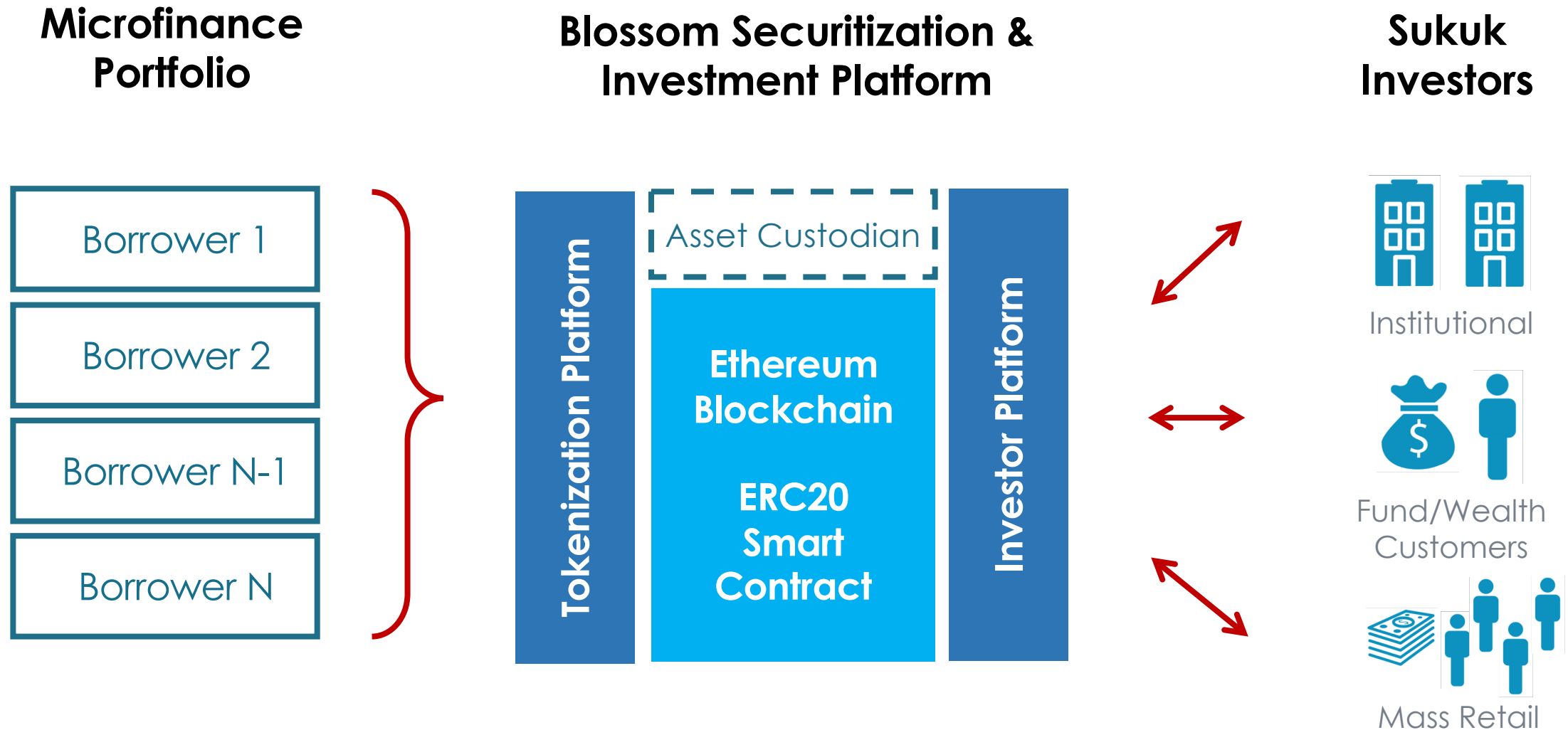
Trustee	Custodian
Delegated Agent	Registrar
Paying Agent	Arranger
Transfer Agent	Listing Agent
Calculation Agent	Security Depository

OLD: Inefficient, Expensive
Complex, Multi-Party Model



NEW: Efficient,
Simple Digital Model

Case Study: Blossom Microfinance Sukuk





THANK YOU

khalid.howladar@acreditus.com