



## **Welcoming Remarks**

**Yang Mulia  
Hajah Rokiah binti Haji Badar  
Managing Director  
Brunei Darussalam Central Bank (BDCB)**

Brunei Darussalam Islamic Finance Symposium  
*“The Role of Islamic Finance as a Catalyst  
for Economic Growth and Shared Prosperity”*

Monday, 3 June 2024, corresponding to 25 Zulkaedah 1445

Balai Khazanah Islam Sultan Haji Hassanal Bolkiah  
Brunei Darussalam

Bismillahir Rahmaanir Rahim  
Alhamdulillah Rabbil 'Alamin, Wassalatu Wassalamu 'Ala Asy-rafil  
Ambiya E'wal Mursalin, Sayyidina Muhammadin, Wa'ala Alihi  
Wasahbihi Ajma'in Wa Ba'adu

Yang Berhormat

Dato Seri Setia Dr Awang Haji Mohd Amin Liew bin Abdullah  
Minister at The Prime Minister's Office and Minister of Finance and Economy II

Yang Mulia

Dato Seri Paduka Awang Haji Khairuddin bin Haji Abdul Hamid  
Deputy Minister of Finance and Economy (Economy)  
As Chairman of Brunei Darussalam Central Bank (BDCB)

Yang Mulia

Dr Haji Norarfan bin Haji Zainal  
Rector of Universiti Islam Sultan Sharif Ali (UNISSA)

Yang Mulia

BDCB Board of Directors  
Senior Government Officials and Senior Executives of financial institutions  
Ladies and Gentlemen

Assalamualaikum Warah Matullahi Wabarakatuh and a very Good Morning.

First and foremost, we are honoured to welcome Yang Berhormat Dato Seri Setia Dr Awang Haji Mohd Amin Liew bin Abdullah, Minister at The Prime Minister's Office and Minister of Finance and Economy II as Guest of Honour and keynote speaker at this transformative event that demonstrates our interest and dedication in further advancing Islamic finance in our country.

I am pleased to extend a warm reception to our guests and participants at the inaugural Brunei Darussalam Islamic Finance Symposium, also known as the BDIF Symposium. This year's theme, "*The Role of Islamic Finance as a Catalyst for Economic Growth and Shared Prosperity*," underscores the profound impact and importance of Islamic finance in our economy. The journey of Islamic finance in Brunei Darussalam is marked by many important milestones since the establishment of the first Islamic finance institution in 1991,

providing Bruneians with ample choice of financial instruments and services that adhere to Syariah principles.

Alhamdulillah, this symposium was only made possible through the joint effort with UNISSA to host the first Brunei Darussalam Islamic Finance Call-For-Papers in September last year. At this juncture, I would like to extend my sincere appreciation and gratitude to UNISSA for this collaboration. It has been truly a wonderful partnership and one of many more to come, Insha Allah. My sincere gratitude also goes to the Brunei Institute of Leadership and Islamic Finance (BILIF) for co-hosting this important event today.

I am delighted to share that 24 full papers were submitted - six under the Academicians and Practitioners Category and 18 under the Students Category. The research streams encompass areas such as sustainable finance, FinTech, financial inclusion, and Islamic social finance – all of which are very important and relevant topics in today's dynamic and interconnected financial environment.

Distinguished Guests,

The impact of Islamic finance on the global economy cannot be ignored. Its potential is significant, making it an invaluable addition to the financial landscape. According to the Islamic Financial Services Board (IFSB), the global Islamic Financial Services Industry (IFSI) grew by 6.2% to approximately USD3.25 trillion in 2022 compared to USD3.06 trillion in 2021, despite challenging financial conditions. This growth was primarily propelled by advancements in Islamic banking and Islamic capital markets.

What about Brunei Darussalam? Growing the domestic Islamic finance market has certainly been a major goal for our country, especially due to its alignment with our core MIB values and how it can increase the financial sector's contribution to the economy. This is also highlighted in Pillar 2 of the Brunei Darussalam Financial Sector Blueprint (FSBP) 2016-2025, which provides guidance on fostering the growth of Islamic finance.

In achieving this goal, the Central Bank has implemented numerous initiatives, in collaboration with industry players and other stakeholders. In particular, BDCB plays a key role in enhancing the financial sector regulatory framework through the issuance of necessary frameworks and regulatory instruments. For example, the Syariah Governance Framework, which was first introduced in 2018 and subsequently amended in 2023, ensure the structure, processes, as well as products and services of Islamic Financial Institutions (IFIs) are in accordance with Syariah Principles. Other regulatory instruments have also

been introduced recently, such as Syariah Standards, the Notice on Syariah Non-Compliance, the Notice on the Appointment of Syariah Advisory Bodies (SAB) and the Syariah Risk-Based Framework (SyaRiF). These were all implemented to ensure that Syariah compliance and governance of Islamic financial institutions in the country are of the highest standards. With these measures in place, I believe this will help boost the public's confidence and trust in such institutions.

Further, the Central Bank has been instrumental in the accomplishment of a number of milestones in the nation's development of Islamic finance. The Brunei Government's Sukuk Al-Ijarah, first issued in 2006 to develop the nation's yield curve as a benchmark for Corporate Sukuk and to support the development of the domestic capital market, has significantly evolved since 2020. Initially focused on short-term instruments, it has now expanded to include tenors reaching up to a decade. I am pleased to share that, to date, 232 Government sukuk have been issued, amounting to BND16.99 billion. Additionally, the introduction of the BDCB Islamic Bills programme in 2020, which aimed to support banks' liquidity management, also represented a pivotal advancement in Islamic finance with its use of the Syariah concept of Wakalah bil Ujah, which was the first of its kind in Brunei Darussalam. Since its maiden issuance on 22 October 2020, we have had 172 issuances, aggregating to BND4.36 billion as of May 2024.

These initiatives represent only a part of the actions implemented thus far. Yet, there remains a substantial opportunity for further advancement. Hence, the outcome of the research papers submitted could be a vital key or the missing link in identifying gaps and new areas of focus to fulfil our country's vision of expanding Islamic finance. It is imperative to recognise, however, that without action, ideas remain that – just ideas. As such, strong commitment and collaboration amongst key stakeholders is paramount, as each individual plays a crucial role in realising this aspiration.

Ladies and gentlemen,

To foster a sound and progressive financial services sector, which is in line with BDCB's key objectives, innovation is key. In achieving this, and to encourage ongoing research and experimentation, BDCB offers the BDCB FinTech Regulatory Sandbox platform for FinTech companies and start-ups to test their solutions within a relaxed regulatory space and defined period. I am also proud to share that this year will see the launching of the Brunei FinTech Innovation Centre. Fondly named "Mekar", this centre will serve as a centralised space and community for all FinTech-related activities, which is hoped to spur greater innovation within the financial sector. However, the full benefits of these platforms can

only be realised if the industry actively engages with them. As such, I urge all industry players to make use of these valuable resources.

At the same time, as the industry moves forward at an increasing pace, propelled further by technology, it is crucial for the industry to adopt a continuous learning mindset to stay on top of latest trends and advancements. It is imperative for individuals to not only enhance their competencies and skills, but also to share such valuable insights and knowledge so we can collectively grow and elevate the industry as a whole to new heights.

Events like today's play a crucial role in facilitating the sharing of knowledge and the exchange of ideas, which are essential for driving the emergence of new innovations. I call for more events of this kind to be held in the future for greater opportunities for the industry to learn, collaborate, and grow.

Honoured Guests,

The strides made in Islamic finance underscore its pivotal role in shaping our economic landscape. As we reflect on our journey, it is evident that collaboration, innovation, and continuous learning are vital for our industry's growth and success. I am heartened by the active involvement of our financial industry players so far and would like to once again thank all participants of this Symposium for your contribution. Let us continue to build upon our current momentum so we can drive the growth of Islamic finance in Brunei Darussalam further and realise Brunei Darussalam's 2035 Vision together.

Wabillahi Taufik Wal-Hidayah Wassalamu'alaikum Warahmatullahi Wabarakatuh.

Thank you.