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**SBP & INCEIF STRIVING TO BUILD STRATEGIC
PARTNERSHIP IN ISLAMIC FINANCE**

The State Bank of Pakistan (SBP) and the International Centre for Education in Islamic Finance (INCEIF), Malaysia are striving to build strategic partnership for the development of Islamic Finance in Pakistan.

For this purpose, Prof. Dato' Dr. Sudin Haron – Deputy Chief Executive of the International Centre for Education in Islamic Finance (INCEIF) held a meeting with Mr. Pervez Said, Director, Islamic Banking Department, State Bank of Pakistan in Karachi yesterday and presented to him a draft MoU from the Governor of Bank Negara Malaysia for the Governor, State Bank of Pakistan. The MoU seeks to provide a framework of cooperation to promote and undertake research, development, training and education in Islamic finance.

During the meeting, Dr. Haron, who is a renowned academician in Islamic banking and finance, apprised Mr. Pervez Said of the standards being observed in INCEIF at various levels including its faculty which comprises Islamic financial services industry experts as well as renowned international and local scholars in the area of Shariah and finance. He also stressed upon the need for establishing strategic alliance with leading higher learning institutions of Pakistan in overcoming the problem of lack of adequately qualified human capital in Islamic finance.

Mr. Pervez Said said that Islamic banking in Pakistan is growing at a rapid pace attracting both local and international investors. The industry has now gained a market share of over 2.2%, which was just 0.5% in 2003. He appreciated the plans of INCEIF for promoting education and research in this emerging field. Although the industry is developing at a fast pace, yet there is a dearth of quality training and research in Islamic financial services industry which can be met through forging strategic alliance with other countries where Islamic banking is being practiced, he observed.

Mr. Pervez said that the State Bank of Pakistan has granted licence to six full-fledged Islamic banks and 11 conventional banks for providing dedicated Islamic banking services through their 98 branches in all the four provinces of Pakistan. Moreover, SBP has recently set up a Task Force on Capacity Building and Research & Development in Islamic Banking to explore ways and means for tackling various issues being faced by this rapidly growing industry.

It may be pointed out that the INCEIF was established in December 2005 by Bank Negara Malaysia, the central bank of Malaysia, to nurture professionals and expertise in Islamic finance to meet the human capital needs of a rapidly expanding industry. The main objective of INCEIF is to promote educational excellence in Islamic finance for the domestic and international Islamic finance community.
