

October 30, 2008

SBP Governor, Dr Shamshad Akhtar Chairs 13th Council Meeting of IFSB

The Governor, State Bank of Pakistan Dr Shamshad Akhtar, who is also the Chairperson of the Islamic Financial Services Board (IFSB), presided over the 13th Council Meeting of IFSB in Dubai yesterday. The meeting approved two exposure drafts of (I) Capital Adequacy Requirements for Sukuk Securitizations and Real Estate Investments and (II) Guiding Principles on Governance of Islamic Collective Investment Schemes.

Dr Akhtar and the Council Members underscored the need for IFSB secretariat to focus on enhancing the capacity building of the industry and the central banks to help them in better understanding of IFSB approved prudential standards.

There was a broad recognition in the Council Meeting that the Islamic banks have preserved the shocks of global financial market turmoil well. The IFSB secretariat and the Islamic Development Bank (IsDB) will be working together to assess further the implications and lessons learnt from the global financial market turmoil for Islamic industry.

The Council Meeting also discussed the future of IFSB and recommended measures for strengthening its financial position. The Council Members appreciated the continued support of IFSB for standard setting and the efforts launched to disseminate these standards. They also requested for greater interface with the industry.

The meeting was comprehensive and covered a broad range of topics of mutual interest to Council Members and Islamic financial industry. Pakistan is holding the IFSB Chair for 2008 and the Governor of Saudi Arabian Monetary Agency (SAMA) will be taking over the Chair of IFSB in 2009.

IFSB is an international standard-setting organization that aims at promoting and enhancing the soundness and stability of the Islamic financial services industry by issuing global prudential standards and guiding principles for the Islamic financial industry. It has 175 members that comprise 42 regulatory and supervisory authorities, six international inter-governmental organizations and 127 market players and professional firms operating in 34 jurisdictions. IFSB has a 19-member Council of Governors which included Governors of Central Banks of various Islamic Countries.
