

The dawn of a mega Islamic financial institution draws closer



QATAR

By Amjad Hussain

The anticipated merger between Masraf Al Rayan (Masraf) and Al Khalij Commercial Bank (Al Khaliji) has achieved a further significant milestone this month as the shareholders of Masraf and Al Khaliji approved the merger during their respective extraordinary general assembly meetings.

The merger will result in new Masraf shares being issued to Al Khaliji shareholders on the basis of 0.5 new Masraf shares for each share in Al Khaliji. Many are looking forward in anticipation as this merger is set to create one of the largest Shariah compliant banks in the region, with a combined asset value of approximately QAR177 billion (US\$48.31 billion).

This could ultimately enable the Islamic banking giant to meet the needs of a much wider range of clients and

increase its market share and product innovation.

The Ministry of Finance reported on meetings held between Minister of Finance Ali Ahmed Al-Kuwari and his Libyan and Somali counterparts. The meetings took place on the 5th–6th October 2021.

The parties discussed bilateral relations between the countries, means to enhance them and reviewed aspects of cooperation. The Somali minister of finance in particular thanked Ali Ahmed for Qatar's continued financial efforts and permanent support.

These meetings come at a time when Qatar looks to further relations with other Arab countries, and find mutual interests and ways to further develop the economic security of the region.

In the long term, Qatar is looking to establish itself as a hub for political, financial and economic growth both regionally and globally.

In other news, in a training day session held by QIIB, panelists and participants debated and discussed the rise of virtual currencies and financial technology (fintech) in the business world.

Dr Mashael Al-Sabah (a senior scientist at the Qatar Computing Research Institute (QCRI)) and Dr Yazan Boshmaf (a scientist in cybersecurity at QCRI) shed light on challenges faced by financial markets in light of the emergence of digital currencies and the controversy that surrounds them.

Since keeping pace with new innovations and technologies associated with fintech remains one of the biggest challenges in today's world, the panelists emphasized the importance of understanding the potential impact of the crypto market on the global financial sector and business models as a whole. ☺

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State export credit agencies discuss Islamic financing for sustainable projects



ITALY

By Stefano Loconte

On a recent occasion during Expo 2020 in Dubai, Etihad Credit Insurance (ECI) and SACE, the Italian export credit company of CDP Group, held a meeting discussing the development of an action plan in supporting sustainable development projects, trade finance of SMEs as well as the Halal sector, in line with their respective national economic strategies.

In fact, the action plan was in the MoU signed between ECI and SACE as part of the 6th UAE–Italy Joint Economic Committee event, held in Rome (Italy) in 2018, which laid down the framework to enhance business opportunities between the two countries.

The relationships are based on the assumption that Italy represents one of the major trading partners of the UAE



in the EU, while the UAE is also a major trading partner of Italy in the Arab region.

The aim of the two countries is to provide support to the companies that are involved in sustainable development and green projects, so as to increase the competitiveness of trade and export businesses from both countries.

In the meeting, the state export credit agencies (ECAs) of both countries reviewed the development of their collaboration in co-insurance and re-insurance opportunities in strategic sectors, in bolstering sustainable

development projects and in jointly utilizing Islamic finance and sustainable finance in funding these projects.

The parties agreed on the importance of providing insurance and guarantees to protect exporters, investors and financial institutions (Islamic and conventional) against political and commercial risks.

The two ECAs also discussed their joint support of Berne Union, the leading global association for the export credit and investment insurance industry, whose members include government-backed official ECAs, multilateral financial institutions and private credit insurers across the globe, with a focus on youth training and skills development. ☺

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