

FOREWORD BY GOVERNOR OF BANK NEGARA MALAYSIA

Bismillahirrahmanirrahim,

Praises to Allah SWT for His blessing that this book, Shariah Resolutions in Islamic Finance, is successfully published to be a guidance and reference for the Islamic finance communities.

The Islamic financial services industry has been growing rapidly in this recent decades. This is evidenced by the greater participation of players and wider product offerings encompassing all sectors of banking, takaful and the capital market. Innovations of products and services are taking place swiftly in providing competitive product offerings to meet the more diverse and differentiated requirements of consumers and businesses.

The robustness of the growth of the Islamic financial system is supported by the Shariah wisdom and dynamism in facilitating the ever changing requirements and the expanding horizon of the Islamic finance industry. Shariah deliberation on financial products has evolved from classical contracts surrounding *murabahah* and deferred sales to a more advanced and sophisticated product structures. It is indeed undeniable that Shariah is the pivotal element of the Islamic financial system as Shariah compliance is the distinctive characteristic of Islamic finance compared to the conventional system.

In view of its vital importance, Malaysia has instituted a more defined Shariah governance framework in which the centralized Shariah Advisory Council was established at Bank Negara Malaysia to oversee the overall Shariah compliance of the Islamic finance industry. It is also supported by the Shariah Committees at the respective financial institutions to ensure that the operational matters are in compliance on continuous basis with the Shariah.

Bank Negara Malaysia continues to be committed to support the Shariah community in expanding their capacity as Shariah advisors to the industry through facilitating and promoting dialogues and greater engagement both at domestic and international levels. It is hoped that the utilization of the Shariah Endowment Fund established by Bank Negara Malaysia will be maximized to achieve this agenda.

I would like to take this opportunity to thank all those involved, especially the Shariah Advisory Council members of Bank Negara Malaysia who have been continuously supporting the development of the Islamic finance. May Allah continue to bless us in our endeavors in development and advancement of Islamic finance.

A handwritten signature in black ink, appearing to read 'Zeti Aziz', with a stylized flourish at the end.

Dr. Zeti Akhtar Aziz
Governor
Bank Negara Malaysia