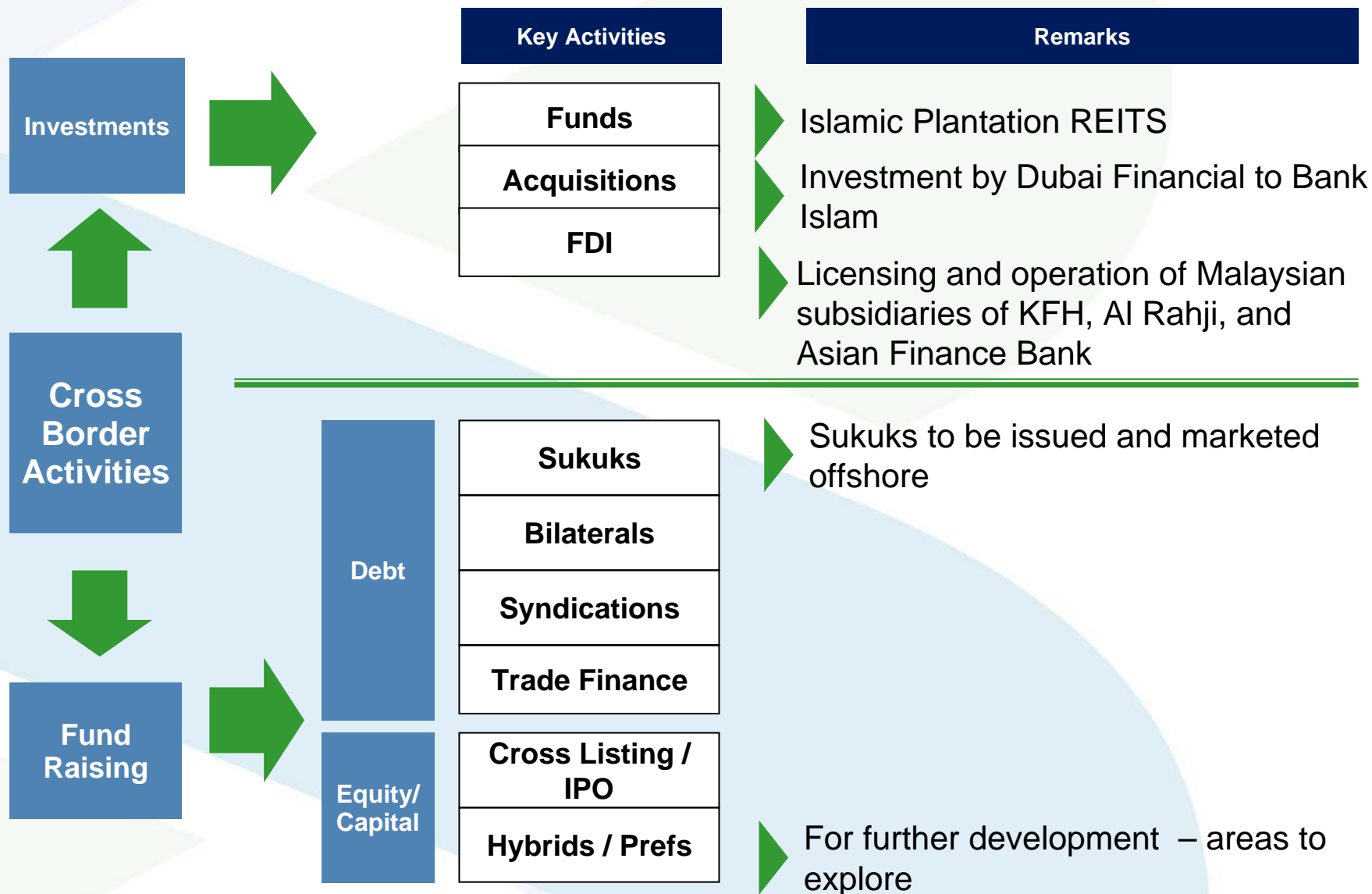


Islamic Finance : Catalyst for Cross Border Activities

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Bank Negara Malaysia Conference
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Public & Private Sector Roles and Responsibilities

Government's Role "A Level Playing Field"

- Ratification of International Treatises, BASLE 2, IAS 39 etc
- Tax exemptions & Incentives
- Rationalization of Laws to International Standards

Private Sector's Role

- Local Banks → Local funding requirements
- Foreign Banks → International servicing of requirements
- Private Companies → Undertake Reverse Investments and open to offshore Investments

BNM and Regulators to Take The Lead

*Creation of Cross
Border Committees*

Participation by representatives of Local Banks, Foreign Banks, Offshore Banks, Business Organizations, IDB, IFSB and IIFM

*Hold Hearings on
Technical Transfers*

Invitation to Offshore International Experts in Islamic, Conventional and Structured Finance Fields to present their Expertise

*Resolution of
Action Points*

Cross Border Committees and Regulators to Agree on action plans to ensure swift implementation of Cross Border Initiatives

Middle East

Malaysia

New source of Liquidity

Conventional Banks able to participate in Islamic Transactions, therefore greater distribution

Growth of Islamic Indices

Growth of Takaful Industry

Growth of Global Ethical Funds

Estimated Wealth of USD \$ 1 Trillion in GCC backed by Oil Boom

THANK YOU