

FOREWORD BY CHAIRMAN OF SHARIAH ADVISORY COUNCIL OF BANK NEGARA MALAYSIA

Assalamualaikum Warahmatullahi Wabarakatuh,

All Praise to Allah SWT and Prayers to His Messenger, Prophet Muhammad SAW, his family, companions and followers.

Bank Negara Malaysia has always been at the forefront of the country's noble pursuit in providing dynamic and cutting-edge support to the Islamic finance industry. In tandem with the burgeoning interest in Islamic finance worldwide that attracts a growing number of Muslims and non-Muslims alike, Bank Negara Malaysia has taken significant measures to encourage the proliferation of knowledge and understanding in Islamic finance in order to meet the increasing demand within the industry. One such effort, with Allah's SWT Blessings, is the publication of this second edition of Bank Negara Malaysia's *Shariah Resolutions in Islamic Finance*.

This book is a scholarly compilation of the resolutions which emanated from the various meetings of the Shariah Advisory Council of Bank Negara Malaysia over the years from 1997 - 2009. It is envisaged that this book will contribute towards enriching the corpus of knowledge on the subject of Islamic finance and will be relied upon by the industry as a basis for product development and product enhancement.

This *fatwa*-based compilation is regarded as a manifestation of the collective *Ijtihad* of a council of scholars who are responsible to advise Bank Negara Malaysia on Shariah matters relating to Islamic finance. The collective *Ijtihad* is a new phenomenon in Islamic law since the 20th century, which is more evident in the Islamic finance industry through the practices of the Shariah advisory services. The compilation of *fatwas* or resolutions is made more relevant in a jurisdiction such as Malaysia, whereby the resolutions of the Shariah Advisory Council of Bank Negara Malaysia are binding on all Islamic financial institutions, takaful companies, courts and arbitrators. The value of this compilation can be appreciated when the resolutions are analysed within the framework of Islamic juristic arguments and Islamic philosophy of *Ijtihad*, in particular the collective *Ijtihad*.

I am hopeful that this compilation will serve the purposes for which it is published.

Wassalam.

A handwritten signature in black ink, consisting of several loops and strokes, positioned above the printed name.

Dr. Mohd Daud Bakar

Chairman

Shariah Advisory Council of Bank Negara Malaysia

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