

**Message of H.E. Prof. Ekmeleddin Ihsanoglu, the OIC Secretary General
at the opening session of the Third Meeting of the OIC Member States' Stock
Exchanges Forum
(Istanbul, Republic of Turkey, 24-25 October, 2009)**

Bismillahi Arrahmani Arrahim

**Mr. Chairman,
Honorable Delegates,
Distinguished Ladies and Gentlemen,**

Assalamu Alaikum wa-Rahmatu Allahi wa-Barakatuhu

It is a great pleasure for me to address this important gathering and to extend my sincere gratitude to the Istanbul Stock Exchange and its President for the excellent arrangements made for this important event.

This gathering is timely as it coincides with the 25th anniversary of the creation of the Standing Committee for Economic and Commercial Cooperation of the Organisation of the Islamic Conference (COMCEC) entrusted with the task of addressing economic and commercial cooperation among member-states of the organization. It is also a double coincidence that this meeting is being held when our Organization is celebrating the 40th anniversary of its existence as an inter-governmental forum.

The agenda of our deliberations includes taking stock of the activities of this Forum since its launch in 2005. This assignment will afford us the opportunity of examining where we are coming from; where we are, at the moment; and where we wish to be, in the near future.

Honorable Delegates,

Many of you know that the OIC Member States' Stock Exchanges Forum was established with the aim to encourage cooperation among the stock exchanges of the OIC Member States. And I am thankful to the Istanbul Stock Exchange for taking a lead role in promoting cooperation among stock exchanges in the OIC Member States and its efforts to make this forum a permanent platform and communication channel for stock exchanges from Islamic countries.

I wish to state here that when we started this Forum in 2005 it brought together 11 stock exchanges from the OIC Member States and 7 other relevant organizations and institutions. Then, the Second Forum was held in Istanbul in

2008 with the participation of 17 stock exchanges, 7 central depository, clearing and registry institutions of the OIC member states and 11 other related organizations and institutions. This gives us a sound reason to believe that we are moving on the right path, as the number of participating Member States is increasing. It also demonstrates that the OIC Member States recognize that by forming strategic alliances with stock exchanges within the OIC region they may be able to gain better access to new technologies and innovative financial instruments needed to attract more investors and deepen financial markets.

Moreover, the idea of working toward closer cooperation and even integration among the stock exchanges is part of the OIC new vision as encapsulated in the Ten Year Programme of Action to support all activities that would promote economic prosperity in the Member States and their integration, including removing barriers to the free movement of people, goods, services and capital within the OIC community.

Ladies and Gentlemen,

As the stock markets around the world still struggle to overcome the adverse effects of the global financial crisis, cooperation among stock exchanges and relevant institutions of OIC Member States become more important than ever. I believe that standing together may give us the chance to turn the global crisis into an opportunity for our markets.

Cooperation of stock markets in OIC Member States could offer a way for these markets to overcome some of the obstacles constraining their development. Possible benefits associated with such partnership are more efficient and competitive markets, lower costs, higher returns, and increased cross-border capital flows. By pooling the resources of capital markets, Member States could also boost liquidity and the ability of their markets to mobilize local and international capital for private-sector and infrastructural development. Investors would gain access to a broader range of shares and issuers would gain access to a larger number of investors.

Another aspect of this Forum could be promotion of the Islamic financial instruments worldwide. At this point it is relevant to underline that today the Islamic assets size is estimated to reach about 1 trillion US dollars globally, with an annual growth rate of 15 to 20% and this growth rate is expected to continue in the future. Furthermore, the share of the OIC Member States' stock exchanges within the total world market capitalization has tripled during the last 8 years. Referring to these facts, I would like to emphasize that many countries in the world troubled by the global financial crisis are promoting Islamic finance,

including Islamic investment instruments, to cater to the growing demand for Islamic modes of financing and banking.

Therefore, the task before this Forum is to sustain the tempo gained so far and to develop common trading and settlement rules and procedures for the benefit of the Member States.

**Mr. Chairman,
Honorable Delegates,**

The foregoing achievements of this Forum appear by all means impressive. On the part of the General Secretariat, we will remain supportive of your various endeavors and current desire to expand the scope and content of Islamic financial architecture. In fact, since assuming office as Secretary General, I have constantly urged OIC Member States to pool their efforts with the aim of maximizing economic growth, trade and financial stability which are best suited to address development challenges in our regions.

I am positive that this forum would enable the existing stock exchanges, clearing houses and related financial institutions in the OIC Member States meet the challenges imposed by the intense global competition, cooperate with each other in coordinating their activities and integrating their policies, regulations and procedures. It will also help them increase their competitiveness and enhance investment opportunities in the OIC countries.

It is my belief that the proceedings at this Forum would add to the various achievements, which we have recorded towards improving welfare of the peoples of the Muslim Ummah.

Finally, I would like to thank the Istanbul Stock Exchange once again for hosting this Meeting and I wish you all a very successful and productive deliberations.

Thank you for your kind attention.

Wassalamu Alaykum wa-Rahmatullahi wa-Barakatuh