

## **OPENING REMARKS**

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*OIC Member States' Stock Exchanges Forum*

*First Working Committee Meeting*

*The Esteghlal Hotel – Tehran, May 5-6, 2009*

Esteemed guests and colleagues,

We are all delighted and honoured to be here in Tehran, the heart of the Persian civilization, and I would like to thank Tehran Stock Exchange, on behalf of all the participants here, for hosting the First Working Committee Meeting of the OIC Member States' Stock Exchanges Forum.

Also, I wish to extend a warm greeting to you all, the fellow delegates of the Working Committee, the presentative of the IDB and the representatives of the task forces and express my gratitude for joining us, as your presence here today reveals your commitment to cooperation among our stock exchanges.

As many of you know, the OIC Member States' Stock Exchanges Forum was established with the aim to encourage cooperation among the stock exchanges of the OIC member countries, at its first round-table meeting held in Istanbul in 2005, with the attendance of 11 stock exchanges and 7 other relevant organizations and institutions. Then, the Second Forum was held in Istanbul by 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.

As you will remember, at the Second Forum Meeting held in Istanbul last year, the two working committees (Technical and IT Committee), which were previously established in the First Forum Meeting in 2005, were integrated into one Committee and four task forces were established to explore the various areas of cooperation and to report their activities to this Committee semi-annually. Today, I would like to

extend special thanks to the task force coordinators that will represent their activities here, for their dedication to the work assigned to them.

As the markets around the world still struggle to overcome the adverse effects of the global financial crisis, cooperation among our exchanges and relevant institutions 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.

Today, the Islamic assets size is estimated to reach about 1 trillion US dollars globally, with an annual growth rate of 15 to 20 percent and this growth spurt 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 the investors troubled by the credit crisis and the risks embedded on structured financial products, now tend to seek comfort in alternative instruments such as Sukuk, Islamic repo, which have by nature different financing methods, and thus grants the Islamic Finance Industry the opportunity to expand its appeal beyond its traditional investor base.

In a while, Dr. Ghalibaf ASL, CEO of the Tehran Stock Exchange, will deliver his welcome speech and then the guest speaker from the Islamic Development Bank, H.E. Dr. Abdul Aziz Al-Hinai, will deliver you a keynote speech on ***“Islamic Development Bank’s Activities on Financing Companies through Islamic Capital Markets Instruments”***. Thereafter, the representatives of the four Task Forces established at the Second Forum Meeting in Istanbul will present their activity reports.

After the presentations, we will have a panel discussion session in the afternoon, where we will hear the presentations on the subject of ***“Experience on Sukuk and Other Exchange Traded Islamic Capital Market Instruments”*** and then exchange our views, discuss how to overcome the issues currently impeding the development of our markets and explore and evaluate possible areas of cooperation.

Before closing my speech, I would like to thank Tehran Stock Exchange once again for hosting this Meeting and I wish you all a very successful and productive meeting. Now, I would like to leave the floor to H.E. Dr. Hasan Ghalibaf ASL.