

# Standardization in Islamic Finance & IIFM Role

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# About IIFM

## International Islamic Financial Markets (IIFM)

- Addressing the Islamic finance industry's standardization requirements of financial contracts and product templates related to Capital & Money Market, Corporate Finance & Trade Finance
- As a neutral and non-profit standard-setting body, IIFM provides universal platform by bringing regulatory bodies, financial institutions, law firms, stock exchanges, industry associations, infrastructure service providers and other market participants on a common platform through the creation of project specific global working groups and committees
- Facilitates unification, Shari'ah harmonization and legal reforms in Islamic financial markets
- Specialized industry events, market consultative meetings and specific workshops
- Sukuk research & other reports and consultative papers

# IIFM Mandate

In the Islamic Financial Services Industry there are three main standard-setting bodies with clear mandate for each

- No overlapping in their mandates
- They complement one another through constructive cooperation and collective action as the basis of the relationship between them. The Institutions are as follows:

	Name of institution	Headquarter/Office	Date of establishment	Mandate
1	AAOIFI: Accounting and Auditing Organization for Islamic Financial Institutions	Manama, Kingdom of Bahrain	26 February, 1990 in Algiers. Then registered on 27 March, 1991 in the Kingdom of Bahrain	General Shari'ah Rulings & Accounting Standards
2	IFSB: Islamic Financial Services Board	Kuala Lumpur, Malaysia	Inaugurated officially on 3 <sup>rd</sup> November 2002 and started operations on 10 <sup>th</sup> March 2003	Regulatory and Supervisory aspect of the Islamic Financial Industry
3	<b>IIFM: International Islamic Financial Market</b>	Manama, Kingdom of Bahrain	Became officially operational on April 1, 2002	<b>Product and documentation standardization of all financial contracts particularly relating to Islamic Capital &amp; Money Market, Corporate Finance &amp; Trade Finance</b>
4	CIBAFI: General Council for Islamic Banks And Financial Institution	Manama, Kingdom of Bahrain	Established in 2001	Representing the Islamic financial services industry globally, defending and protecting its role

# IIFM Standards

## Hedging & Liquidity Management

- Tahawwut (Hedging) Master Agreement, Key Hedging Products and Law Reforms
- Inter-Bank Unrestricted Master Investment Wakalah Agreement
- Master Collateralized Murabahah Agreement

# *Shukaran Wassalamu 'Alaikum*

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