



**Standing Committee
for Economic and Commercial Cooperation
of the Organization of Islamic Cooperation (COMCEC)**

**Proceedings of the 15th Meeting of the
COMCEC Financial Cooperation Working Group**

**“The Role of Islamic Finance in Supporting the
Micro Enterprises and SMEs against COVID-19”**



COMCEC COORDINATION OFFICE

April 2021

**PROCEEDINGS OF THE 15TH MEETING OF THE
COMCEC FINANCIAL COOPERATION WORKING GROUP
ON**

**“The Role of Islamic Finance in Supporting the Micro Enterprises and SMEs
against COVID-19”**

(April 6th, 2021, Virtual Meeting)

(1st Session – Presentation and Review of the First Draft of Research Report)

COMCEC COORDINATION OFFICE

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Introduction

The 15th Meeting of the COMCEC Financial Cooperation Working Group was held on April 6th, 2021 in a virtual-only with the theme of “**The Role of Islamic Finance in Supporting the Micro Enterprises and SMEs against COVID-19**”. The representatives of 19 Member States, which have notified their focal points for the Financial Cooperation Working Group, attended the Meeting. Representatives of COMCEC Coordination Office, SESRIC, SMIIC, IsDB, CIBAFI, OIC Exchanges Forum, COMCEC Capital Markets Regulators Forum, and OIC-COMCEC Central Banks Forum, have also attended the Meeting.

Mr. Fatih ÜNLÜ, Director General of the COMCEC, delivered an opening speech and gave the floor to Mr. Muhammed Faruk AYKUT, Chairperson of the Meeting. It was followed by the presentations made by Professor Mehmet ASUTAY on the overview of the research report and Dr. Nur Dhani HENDRANASTITI on the theme regarding to the situation in Indonesia as a case country study.

The participants were presented the first draft of the research report including the introductory part and one case-country examination. In the presentation presenting introduction part, main objectives of the study, structural problems deriving from COVID-19 with regards to economic growth, the importance of SMEs as a backbone of the economy are highlighted. Also, the methodology of the report and the criteria considered in the selection of case-countries are explained in detail.

Indonesia was presented as a case-study country in the second presentation in which the political economy of COVID-19 and its effects on the aforementioned country was highlighted. The issues and challenges faced by the Microenterprises and SMEs in Indonesia were expressed and the options and tools that Islamic Finance has against the detrimental effects of COVID-19 were put forward with special policy recommendations designed for this important sector in Indonesia.

The Representatives of the Member States shared their experiences, achievements, and challenges faced in supporting Microenterprises and SMEs against COVID-19 with Islamic finance.

1. Opening Session

In line with the tradition of the Organization of Islamic Cooperation (OIC), the Meeting started with the recitation from the Holy Quran. At the outset, Mr. Fatih ÜNLÜ, Director General of the COMCEC, made a comprehensive opening speech about the latest developments and figures in the sector by touching upon the implications of COVID-19 pandemic on the sector.

Then, as the Chairperson of the Meeting, Mr. Muhammed Faruk AYKUT, Deputy Director General from General Directorate of Financial Markets and Exchange of the Republic of Turkey, introduced himself, thanked all the participants, and mentioned the programme of the meeting.

2. Overview and Analysis on the Islamic Finance and MSEMs Under COVID-19 Conditions

In the first session, Mehmet Asutay, Professor of Middle Eastern and Islamic Political Economy from the Durham Centre for Islamic Economics and Finance, Durham University Business School, presented the first part of the research report in the session entitled "Introduction of the Research Report".

In the first part of the presentation, Professor Asutay identified the project's main aim as analysing and exploring the policy responses of the countries, international bodies, and Islamic financial institutions to support MSMEs against the severe effects of the COVID-19. As an objective, he identified that one of the objectives is to investigate the potential role of the institutions and instruments of Islamic financial sectors (Islamic banking, Islamic capital markets, takaful, Islamic social finance, and others) in local, regional and international levels mainly focusing to MSMEs. Professor Asutay stated that the main aim and objectives will be explored in the case of four OIC member countries (Indonesia, Kuwait, Jordan, and Senegal) and one non-OIC member country (Russia). He stated that the outcome of exploration and analysis will help provide policy recommendations to the OIC member countries, including considering alternative institutional and instrumental development needs in the Islamic finance sphere for MSMEs.

In rationalising the research, Professor Asutay summarized the health challenges faced by the global society due to the continuous impact of the Covid-19 pandemic to provide a context for the research, which has substantial economic and financial implications for every country in the world. He notably identified the economic and financial challenges faced by the MSMEs after stressing that the MSMEs are the backbones of every national economy in the world. Such challenges include decreased business due to demand reduction, higher fixed costs, lack of adequate capital, debt and loan related challenges and difficulties in accessing affordable financing, etc. Professor Asutay identified the measures developed to support MSMEs: deferral of tax, social security, rent, utility and debt payments, loan guarantees and deferments, and grants and subsidies.

In the second part, in providing the rationale for Islamic finance developing measures for the challenges faced by MSMEs, Professor Asutay provided some data depicting the development and trends in the Islamic finance industry. The statistics show that the Islamic finance industry has reached USD2.5 trillion, of which the Islamic banking share is about USD1,8 billion. Considering the systematic significance of the Islamic finance industry, Professor Asutay identified the critical importance of support the Islamic finance industry need to extend to MSMEs. Therefore, he stated the importance of a holistic approach to be developed by the Islamic finance industry beyond financialisation, including real economy impact through MSMEs financing. He also identified the emerging significance of Islamic social finance instruments and institutions in responding to the certain challenges faced by MSMEs. In stating the emerging opportunities, Professor Asutay also reported on the systemic importance of Islamic FinTechs.

In the third part, Professor Asutay explained the comprehensive data collection process. In addition to examining the recent publications and, in particular recent policy papers on the subject matter to collect material on institutional or Islamic banks related strategies and national level Shari'ah-compliant measure, he explained that they have been utilising

comprehensive primary data collections for all the countries involved. He stated that they have advanced semi-structured interviews with stakeholders in case countries with both supply-side - including Islamic bankers, financiers, Shari'ah scholars, regulators, policy-makers - and demand-side - including chambers of merchants and artisans. In addition, Professor Asutay explained that they will run a structured questionnaire with a sample of supply-side representatives in the OIC member countries so that OIC-wide good practices in relation to Islamic finance industry vis-à-vis MSMEs under pandemic challenges can be captured.

In the fourth part, Professor Asutay presented the rationale for selecting the sample countries, which he stated that they aimed to capture the distinction of various categories of countries within the OIC, such as geographic distribution, size of the economy and the development of Islamic finance industry. Furthermore, as a non-OIC country, Russia was selected due to being an observant country in the OIC due to having a large Muslim population with autonomous Muslim regions.

In the last part, Professor Asutay discussed the structure of the expected report developed from the research. He identified four parts, which are: (i) Covid-19 Pandemic Conditions and Its Impact on MSMEs Financing and Performance: Global Perspective; (ii) Covid-19 Pandemic and Islamic Finance; (iii) Research Methodology: Selected Case Studies; (iv) Policy Recommendations. He explained each part.

Professor Asutay concluded his presentation suggesting the importance of authenticity for the Islamic finance sector's development by being embedded into the real economy, and he stated that MSMEs remains an essential sector for getting financing as part of such embedded development in the OIC member countries. For this, he noted that the findings of the research will be beneficial for all the stakeholders.

Question(s) and Comment(s)

Question: Mr. Rachid ETTAAI from CIBAFI (Bahrain) has commented that while Islamic finance may facilitate financing, MSMEs require certain services beyond financing, which banks cannot provide. Such services include their operational monitor and guiding them to be independent. He stated that since Islamic banks would not be able to offer such services, third parties, including technology, could be utilized. He requested Professor Asutay's position on this.

Professor Asutay responded by stating that within the regulative environment where Islamic banks are subjected to the same regulations as conventional banks, the distinctiveness of Islamic banks diminishes as they are grafted to perform and operate the same way as conventional banks. Therefore, their willingness to provide financing for MSMEs are limited with such institutional and regulative logic. Thus, Professor Asutay mentioned that for financing as well as other services that MSMEs need, alongside Islamic banks, non-banking financial institutions, traditional Islamic institutions such as zakat funds and waqf, civil society-based organisations, chambers of commerce and associations as well as public policy should be a part of a comprehensive strategy to provide necessary financing as well as other needed services for the sustainability and success of MSMEs.

Question by Ms Fatma Cinar of TKBB, Istanbul: Ms. Cinar stated that SMEs behaviour can be different from one jurisdiction to another as local dynamics can be different. To capture such dynamics, she raised the importance of data collection to develop adequate support systems.

She also raised the issue of developing common financial management products for financing SMEs and guarantee system for them, along with providing awareness related training to develop financial literacy for SMEs. She asked as to what Professor Asutay considers on such crucial matters.

Professor Asutay responded by appreciating the comment and the question. He stated that to capture the diversity among the OIC countries, they included countries from countries with different political economies, different levels of Islamic finance development, and different relations between MSMEs and the financial sector. Such distinctions, Professor Asutay mentioned, will provide us with ample opportunity to develop some findings on the behaviour of MSMEs under crisis, namely pandemic conditions. Professor Asutay expressed that there is a huge need for data collections and data service providing agency within OIC, and perhaps COMCEC or SESRIC could take up such a role, as efficient data is essential for the development of the Islamic finance industry as well as MSMEs. He, however, stated that common Islamic financial management tools for MSMEs will be complicated as there are different economies in the OIC as well as Islamic finance development shows differences. Having said that, Professor Asutay stated that IsDB can be a platform for developing at least baseline common Islamic financial management tools. As for the guarantee system for MSMEs, Professor Asutay mentioned that there are different practices within the OIC countries concerning their respective regulations, and also there are various Islamic finance practices vis-à-vis the guarantee system. This project also aims to bring together those experiences to identify good practices, which may not again suggest a common guarantee system.

3. Selected Case Study - Indonesia

The second presentation was delivered by Dr Nur Dhani Hendranastiti, from Universitas Indonesia, to present the Indonesian case in the Second Session entitled as Selected Case Study Presentation. In the first part of the presentation, Dr Hendranastiti provided a brief introduction regarding the COVID-19 condition in the global context and the aims of the study.

In the second part, she explained the state of the Indonesian economy in brief, starting with the economic growth in 2020 experienced a decrease and also explained the adverse economic effect on each sector. All the sectors experienced a decline in the second quarter (Q2), except the agricultural sector. However, all the sectors were able to bounce, although not to the same level as before. The country brief also mentioned that there are 64 million units of MSMEs in Indonesia, which contributes to IDR 2,045 trillion export value, accounted for 61% of GDP, and employed 121 million workforce.

In the next part, Dr Hendranastiti explained the definition and characteristics of MSMEs in Indonesia, being grouped as micro, small, and medium types where she informed that the classification is based on the net wealth, annual revenue, type of products, place of business, how the MSMEs manage their financial activities, their spirit of entrepreneurship, level of education, access to financing, and legality.

The empirical part of the presentation explained the financing sources that have been received by MSMEs through various programs from the government, being channelled via bank and non-bank financial institutions. However, Dr Hendranastiti explained that the pandemic has created

challenges for MSMEs in running their business due to several factors, such as sales, supply, operational, and funding.

The presentation was then followed by the development of Islamic financial institutions in Indonesia and their financing to MSMEs, showing a decrease in the 2020 Q2 but a steady proportion for Q3 and Q4. Based on the findings, Dr Hendranastiti explained that several supports have been put by the government and regulator to help MSMEs, such as direct financial support for MSMEs, financing restructuring (extending the period of repayment), margin subsidy, financing insurance, reduction of electricity cost, subsidy for income tax. Aside from financial support, MSMEs also receive trainings mainly related to digitalisation and online platform.

As for the support from the Indonesian Islamic finance sector, Dr Hendranastiti explained that both conventional and Islamic financial institutions have provided financial support. In addition, Islamic social finance has also helped by providing financing and assistance for MSMEs under their supervision. Lastly, Dr Hendranastiti developed several recommendations, such as enabling the institutional operational logic of Islamic banks, enabling the environment that empowers SMEs, developing micro-takaful for the MSMEs, developing emergency and contingency funds in the form of *Shari'ah*-compliant manner (*qard hassan*), and enabling an efficient international collaboration and cooperation within OIC.

Question(s) and Comment(s)

Question: Mr. Anar Yusufzada (Azerbaijan) asked about the proportion of Islamic microfinance compared to conventional microfinance.

Prof. Asutay explained that Indonesia has Baitul Maal wa Tamwil (BMT), Islamic microfinance, that operates in almost every region in Indonesia.

Question: Mr. Wael Merza (Saudi Arabia) asked about whether there is an association and/or further support for MSMEs, aside from the financing provision from the government.

Dr Hendranastiti explained that there is an association for MSMEs at the national and regional level. This association is led by the MSMEs itself and acts as an advocate for any recommendation to the government or regulator. In addition, ministries related to MSMEs also have programs to support MSMEs that fall under their sector categorization.

Question: Mr. Wael MERZA (Saudi Arabia) would like to get a further explanation about regulation from the Central Bank of Indonesia concerning minimum financing proportion of 20% from banks to MSMEs.

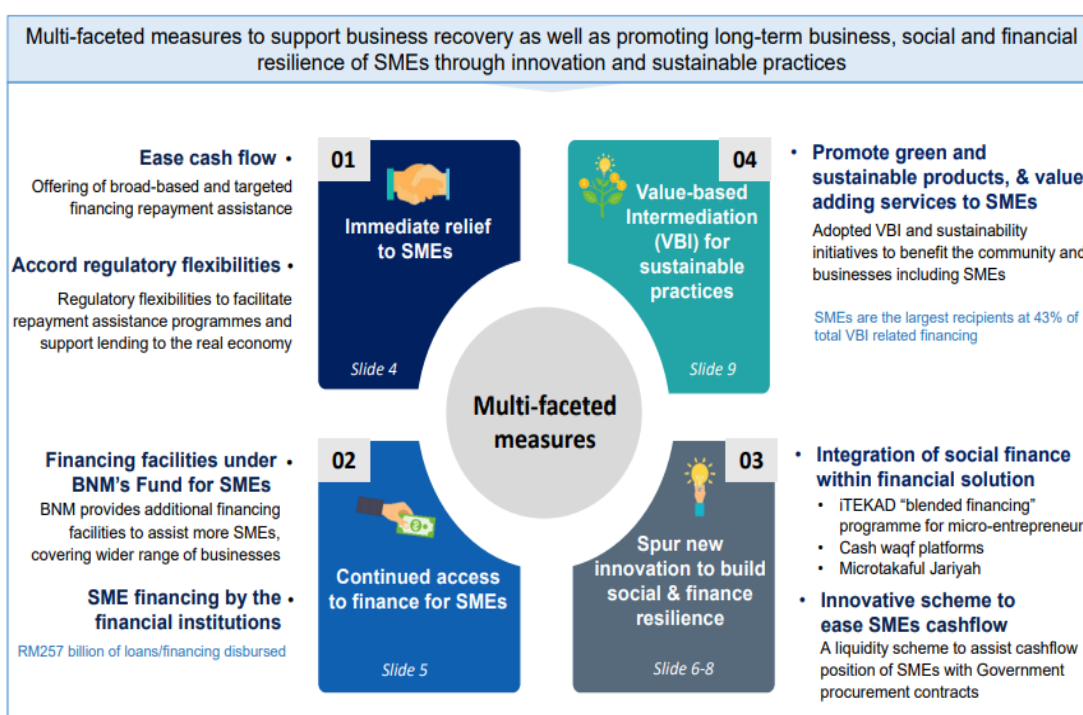
Dr Hendranastiti explained that it is an effort from the government to provide financing for MSMEs. If the banks could not achieve the 20% minimum, banks are required to offer training classes for MSMEs as a penalty.

4. Member Country Presentations

4.1. MALAYSIA

Dr. Hamim Syahrums Ahmad Mokhtar from Bank Negara Malaysia (BNM) presented on the multi-faceted measures to support business recovery as well as promoting long-term business, social and financial resilience of SMEs in Malaysia.

An overview of Malaysia's experience: Islamic finance in supporting SMEs in times of COVID-19



1. Providing immediate relief to SMEs

Firstly, Dr. Hamim started with by mentioning that to ease cash flow constraints, financial institutions in Malaysia offered broad-based financing repayment assistance in the first six months, starting March 2020, and targeted assistance during the following months. He then also underlined that BNM also accords regulatory flexibilities to facilitate repayment assistance programmes and support lending to the real economy including:

- i. Rationalise lending limits applied to broad property sector and share financing
- ii. Allow drawdown of capital conservation buffer of 2.5%
- iii. Allow to operate below LCR of 100%
- iv. Minimum Net Stable Funding Ratio of 80% instead of 100%

He mentioned that the Shariah Advisory Council (SAC) of BNM also made a ruling in respect of practices of restructuring and rescheduling (R&R) of Islamic financing facility during the

COVID-19 crisis to provide clarity to the Islamic financial institutions. Islamic financial institutions are not allowed to include and account for any accrued profit on original financing as the new principal amount for the restructured and rescheduled facility. The practice aims to alleviate customers' burden by avoiding the amplification of profit on debts.

- i. In comparison to conventional loans, Islamic finance prohibits the compounding of profit and thus, this has helped alleviate customers' burden to greater length. In support of the relief measures introduced by BNM, some conventional banks had adopted the compounding of interest as well during the moratorium period
- ii. For Islamic banks, additional requirements were introduced to further alleviate the financial hardship and operational burden faced by customers that sought payment assistance. Premised on the Shariah principle of *ihsan* (beneficence), the SAC has prohibited the capitalisation of accrued profits for facilities that are restructured and rescheduled, as part of payment assistance extended to customers affected by COVID-19.

2. Continued access to finance for SMEs

Dr. Hamim informed that BNM provides additional financing facilities to assist more SMEs, covering a wider range of businesses such as tourism and tourism-related sectors, services sector as well as high tech and innovation-driven SMEs with RM5.8 billion (≈USD1.4 billion) of funds available. He underscored that this is an addition to the continued efforts by financial institutions and also series of financial assistance from the government in providing financing to SMEs. In 2020, RM257 billion (≈ USD63 billion) of loans/financing were disbursed by financial institutions to 145,993 accounts.

3. Spur innovation to build social & finance resilience

In optimising social finance capital towards building social & financial resilience, Dr. Hamim stated that several initiatives that integrate social finance within financial solutions have been introduced or intensified, including:

- i. iTEKAD "blended financing" programme for micro-entrepreneurs from the bottom 40% of income group, including those affected by COVID-19. Under this programme, participants are given structured training, capital assistance and microfinancing.
- ii. Cash waqf platforms by Islamic financial institutions in collaboration with state authorities. The contributions are channeled to education, health and economic empowerment projects and since 2012, the platforms have raised RM38.3 million (≈ USD10 million) cash waqf.
- iii. Microtakaful Jariyah Fund that is managed by takaful operators provides RM10,000 (≈ USD2500) financial relief when the breadwinner passes away and educates the family on the management of personal finance. Currently, the Fund has 25,000 active recipients and RM1.2 million (≈ USD 0.3million) death benefits paid since 2018.

In addition, He explained the role of Malaysian Islamic banks in collaboration with several ministries in introducing (on a pilot basis) a liquidity scheme called CAKNA Scheme, aimed to assist the cash flow position of SMEs with Government procurement contracts. The Scheme allows eligible SME vendors of public procurement contracts to obtain accelerated payment pending actual payment by the Federal Government. The scheme involves the sale

or transfer of outstanding invoices owned by Government vendors to participating banks while not affecting gearing of these SMEs.

4. Value-base Intermediation (VBI) for sustainable practices

The VBI initiative that focuses to promote green and sustainable products, & value-adding services has also facilitated the SMEs in various ways. As at September 2020, the Islamic banking industry intermediated approximately RM155.6 billion in VBI-related or aligned initiatives and SMEs are the largest recipients at 43% of total VBI related financing. The impacts created by VBI to SMEs include:

- i. More than 100,000 SMEs supported with over RM40 billion financing; and
- ii. Member banks offer mentoring and education as well as assisting SMEs in halal industry and technology.

5. Private Sectors' / International Institutions' Contributions

5.1. IsDBG's Private Sector Strategy against COVID-19

Mr. Anour Hajjoubi, Lead Alternative Development Finance Specialist at Islamic Development Bank (IsDB) made a presentation on Islamic Bank of Development Group (IsDBG)'s private sector strategy against COVID-19 pandemic. Introducing the key partners of IsDB Group such as International Islamic Trade Finance Corporation (ITFC), Islamic Corporation for the Development of Private Sector (ICD), and Islamic Corporation for the Insurance of Investment and Export Credit (ICIEC), Mr. Hajjoubi highlighted that IsDBG's main mission is to promote comprehensive human development by focusing on alleviating poverty, improving health, promoting education, improving governance.

Afterwards, he stated that major economic responses have been introduced in the world to mitigate the adverse economic impacts of the COVID-19 pandemic. He also added that although developed countries have taken unprecedented measures leading to massive liquidity injection into the economy and providing a significant support to the private sector, IsDB's Member Countries have unfortunately suffered limited flexibility to implement similar measures to protect their private sector against the pandemic crisis due to structural economic constraints and critical volume of capital flow.

In this regard, he pointed out that IsDB has initiated a comprehensive intervention package named as the "**Strategic Preparedness and Response Package**" (SPRP) to provide its full support to its Member Countries in the context of the COVID-19 pandemic. The Intervention Program is organized around three main objectives in the short, medium, and long term, which are composed of financial tools and mechanisms designed to help Member Countries to recover from the impacts of pandemic: **3-R Framework** composed of *Respond Track (R1)*, *Restore Track (R2)*, and *Restart Track (R3)*.

Afterwards, Mr. Hajjoubi also informed that Islamic Development Bank (IsDB) entered into Agency Agreements with each of its Group Entities (ICIEC, ITFC, and ICD) to facilitate the implementation of COVID-19 Restore Track Program (R2) through providing trade finance and

line of finance operations in Member Countries. He underlined that these agreements laid the foundational work to pave the way for a new operational model built on systematic partnership between IsBD and IsDB Group Entities and such foundational work is a crucial for the new business model where the private sector and the attraction of investors take center stage.

He further stated that for an efficient monitoring of the “Restore Track Program” IsDB has set up a Technical Working Group, whose objective is to optimize IsDBG’s support by converging all engagement with Member Countries under one discussion.

In the last part of his presentation, Mr. Hajjoubi pointed out that when it is required, the Restore Track Program endeavors to mobilize IsDB’s strategic financial partners to support Member Countries’ efforts to stimulate private sector and essential trade finance by delivering short to medium-term lines of finance in coordination with governments’ private sector stimulus packages. He lastly mentioned that IsDB has proposed to Member Countries to extend the “**IsDBG COVID Guarantee Facility**” to de-risk financial transactions under the Restore Track Program in order to encourage its financial partners to extend a line of finance.

5.2. SESRIC: Socio-Economic Impacts of COVID-19 Pandemic in OIC Member Countries: Prospects and Challenges

Dr. Cem Tintin, Senior Researcher at the Statistical, Economic and Social Research and Training Centre for Islamic Countries (SESRIC) delivered a presentation on “Socio-Economic Impacts of COVID-19 Pandemic in OIC Member Countries: Prospects and Challenges”. The presentation included four main parts.

In the first part of the presentation, Dr. Tintin introduced SESRIC, which is a subsidiary of the Organisation of Islamic Cooperation (OIC) based in Ankara. He informed participants that most of the information provided in his presentation are fetched from two reports of SESRIC, which are available on the webpage of SESRIC, as follows: “Socio-Economic Impacts of COVID-19 Pandemic in OIC Member Countries: Prospects and Challenges” and “OIC Economic Outlook 2020”. Then he presented a map of OIC Member States in order to provide an overview about the geographical distribution of them in the world. He mentioned that the diverse geographical locations of the OIC Member States also impacted the number of COVID-19 cases reported by them.

In the second part of the presentation, Dr. Tintin provided an overview of the state of COVID-19 in OIC Member States such as by presenting some figures on the total number of COVID-19 cases and total number of deaths due to COVID-19. Both in terms of cases and deaths, there is a heterogeneity in the performance of OIC Member States. The figures revealed that some OIC Member States had more cases than the world average (in terms of per million population). He also stressed that a number of OIC Member States reported extensive death tolls as compared to the global average. In this regard, he pointed out that the intensity of the socio-economic impacts of COVID-19 in OIC Member States differs.

In the third part of the presentation, Dr. Tintin focused on the overview of the socio-economic impacts of COVID-19 in OIC Member States. He discussed the impacts under two groups namely social and economic. The economic impacts included: reduced economic wellbeing; slowed economic growth, trade, and investment; and disruptions in labour markets. The social impacts that he presented are exclusion and isolation; abuse and neglect; and limited access to health care. He also provided some concrete examples about the economic impacts of COVID-19 in the tourism sector and Foreign Direct Investment (FDI) performances of OIC Member States. He highlighted that OIC Member States are estimated to lose between USD 38 to USD 58 billion in international tourism receipts due to COVID-19 pandemic. The pandemic has resulted in a reduction of USD 42.5 billion in inward FDI flows in OIC Member States. He pointed out that two example figures can solely be important to understand the intensity of the impacts of COVID-19.

In the final part, Dr. Tintin summarized key messages of his presentation and provided some policy recommendations on how to mitigate the impacts of COVID-19 in OIC Member States with a particular focus on SMEs. He highlighted that SMEs represent more than 90% of businesses in OIC Member States and they require special attention during the pandemic from policymakers such as to ease their access to finance. He mentioned that a number of OIC Member States have introduced various economic stimulus packages to mitigate the impacts of the pandemic on SMEs such as in the form of tax breaks, exemptions, and direct cash transfer. However, it is critically important to design such stimulus packages and response policies to ensure that no economic actor and sector are left behind.

Before concluding, Dr. Tintin talked briefly about the importance and potentials of Islamic finance and Islamic financial instruments (e.g. Musarakah, Murabaha, Mudarabah) that can play a pivotal role in the recovery efforts of OIC Member States and in the post-pandemic period. He concluded the presentation by highlighting the importance of intra-OIC cooperation that there are various success stories and good national practices that can provide insights in recovery efforts of OIC Member States

6. COMCEC Financial Support Programs

Mr. Hasan YENİGÜL, Program Coordinator at the COMCEC Coordination Office, made a presentation on the COMCEC Project Funding.

Mr. YENİGÜL informed the participants about the essentials of the COMCEC Project Funding. Mr. YENİGÜL continued his presentation by highlighting the timeline and budget limits for the project submission. He stressed the importance of finding a project idea and informed the participants on how they can find project topics. He also explained the main project types along and criteria for being an applicant for a project.

He also reminded the participants to read the application documents particularly the Project Preparation and Submission Guidelines as well as supported sectoral themes before designing and submitting their project proposal. Moreover, Mr. GÖLE invited the Member Countries and OIC Institutions to submit their project proposals and wished all the success in the project submission period.

Mr. YENİGÜL finally informed the participants about other two grant programs, namely COMCEC Al-Quds Program and COMCEC Covid Response Program.

7. Closing Remarks

The Meeting ended with closing remarks of Mr. Muhammed Faruk AYKUT, Deputy Director General from General Directorate of Financial Markets and Exchange of the Republic of Turkey

In his closing remarks, Mr. AYKUT conveyed his appreciations to all the presenters and participants for the fruitful deliberations made during the meeting. Then, he informed the participants that the 16th Meeting of the COMCEC Financial Cooperation Working Group will be held in September 2021 with the same theme in which all case studies will be covered, final version of the report will be presented and concrete policy recommendations will be formulated in detail.

Annex 1: List of Participants

LIST OF PARTICIPANTS
15th MEETING OF THE FINANCIAL COOPERATION WORKING GROUP
(April 6th, 2021, Virtual Meeting)

A. MEMBER COUNTRIES OF THE OIC

ISLAMIC REPUBLIC OF AFGHANISTAN

- Ms. MOHAMMAD TAHIR ROOZI
Acting Deputy Minister, Ministry of Economy

PEOPLE'S DEMOCRATIC REPUBLIC OF ALGERIA

- Mr. DJAMEL ADOUANE
Deputy Director, Ministry of Finance

REPUBLIC OF AZERBAIJAN

- Mr. ANAR YUSUFZADA
Chief Specialist, Small and Medium Business Development Agency

KINGDOM OF BAHRAIN

- Mr. ABDULLA ALKHALIFA
Chief of Division, Ministry of Finance & National Economy

REPUBLIC OF BENIN

- Ms. CAROLE JAGBA
Director, Ministry of Social Affairs and Microfinance

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BURKINA FASO

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- Ms. SAMIRA ALIYARI

Expert For International Affairs, Iran Chmber of Commerce, Industries, Mine, Agriculture

HASHEMITE KINGDOM OF JORDAN

- Mr. RA'ED NAWAISEH

Expert, Jordan Enterprise Development Corporation

THE STATE OF KUWAIT

- Ms. HANADI ALENAZI

Foreign Relation Researcher, Ministry of Finance

- Mr. MUSAED ALFOUDARI

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- Ms. SITI ROSINA BINTI ATTAULLAH

Manager, Bank Negara Malaysia

- Ms. FIONA SHAZLIN BINTI NAZARI

Analyst, Bank Negara Malaysia

- Ms. NUWAIIRANI KHALID

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- Mr. MADOU GAMBO GANA

Chief of Division, Ministry of Finance

SULTANATE OF OMAN

- Mr. HUMAID ABDULLA AL QATABI
Director, Ministry of Finance

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- Mr. IMRAN KHAN
Joint Director, State Bank of Pakistan
- Mr. MUHAMMAD AYAZ KHAN
Deputy Secretary, Economic Affairs Division
- Mr. OWAIS NAUMAN KUNDI
Expert, Economic Affairs Division

STATE OF QATAR

- Ms. FATĪMA AL-KAABI
Senior Specialist, Minister of Finance

KINGDOM OF SAUDI ARABIA

- Mr. ABDULAZIZ ALNASHWAN
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- Mr. WAEL MERZA
Consultant, Saudi Central Bank (SAMA)
- Mr. FAYEZ ALHEMAIDHI
Specialist, Ministry of Finance

REPUBLIC OF SIERRA LEONE

- Mr. FODAY IBRAHIM KABBA

Expert, Ministry of Finance

- Mr. VANDY KAMARA

Project Coordinator, Ministry of Finance

REPUBLIC OF TURKEY

-Mr. MAHMUT AYDOĞMUŞ

Manager, BORSA ISTANBUL

- Ms. GÜLSÜM ÇINAR DOLGUN

Specialist, Central Bank Of Republic Of Turkey

- Mr. ERHAN AKKAYA

Expert, Central Bank Of Republic Of Turkey

- Ms. SEÇİL SAYIN KUTLUCA

Senior Legal Expert, COMCEC Capital Markets Regulators Forum

- Mr. BURAK DENİZ

Assistant Specialist, Central Bank Of Republic Of Turkey

- Mr. MAHMUT KARACİN

Expert, Capital Markets Board of Turkey

- Mr. UTKU ŞEN

Expert, Ministry of Treasury and Finance

- Ms. BÜŞRA BAYKARA PERÇİN

Expert, Capital Markets Board of Turkey

- Ms. MERVE LOĞOĞLU

Assistant Specialist, OIC COMCEC Central Banks Forum

B. THE OIC SUBSIDIARY ORGANS

STATISTICAL, ECONOMIC, SOCIAL RESEARCH AND TRAINING CENTER FOR ISLAMIC COUNTRIES(SESRIC)

- Mr. CEM TİNTİN

Senior Researcher, SESRIC

C. SPECIALIZED ORGANS OF THE OIC

ISLAMIC DEVELOPMENT BANK(IsDB)

- Mr. ANOUAR HAJJOUBI

Lead ADF Specialist, Islamic Development Bank

D. AFFILIATED ORGANS OF THE OIC

GENERAL COUNCIL FOR ISLAMIC BANKS AND FINANCIAL INSTITUTIONS (CIBAFI)

- Mr. RACHID ETTAAI

Senior Research Analyst, CIBAFI

STANDARDS AND METROLOGY INSTITUTE FOR ISLAMIC COUNTRIES(SMIIC)

- Mr. İHSAN ÖVÜT

Secretary General, SMIIC

E. INVITED INSTITUTIONS

ZIRAAT PORTFOLIO

- Mr.KENAN TURAN

Assistant General Manager, Ziraat Portfolio

- Mr. KADİR ALTUNOK
Specialist, Ziraat Portfolio

PARTICIPATION BANKS ASSOCIATION OF TURKEY

- Ms. FATMA ÇINAR
Head of Internal Relations, Participation Banks Association of Turkey

- Dr. MÜCAHİT ÖZDEMİR
Professor, Sakarya University

- Mr. MEHMET ASUTAY
Professor, Durham University

F. COMCEC COORDINATION OFFICE

- Mr. FATİH ÜNLÜ
Director General

- Mr. MEHMET ASLAN
Acting Head of Department

- Mr. CAN AYGÜL
Senior Expert

Annex 2: Agenda of the Meeting



**15th MEETING
COMCEC FINANCIAL COOPERATION WORKING GROUP
(April 6th, 2021, Virtual Meeting)***

**“The Role of Islamic Finance in Supporting Microenterprises and SMEs
against COVID-19”**

**(1st Session – Presentation and Review of the First Draft of Research
Report)**

DRAFT AGENDA

Opening

1. Introduction (The Scope, Significance and Method of the Study)
2. Presentation of Selected Case Country and the Lessons Learnt (Indonesia)
3. Member States’ Experiences in harnessing from the Islamic Finance for Supporting Microenterprises and SMEs against COVID-19
4. Contributions of International Institutions
5. Presentation of the COMCEC Project: S&P/OIC COMCEC 50 Shariah Index
6. COMCEC Financial Support Programs

Closing

Annex 3: Program of the Meeting



**DRAFT PROGRAMME
15th MEETING OF THE COMCEC
FINANCIAL COOPERATION WORKING GROUP
(April 6th, 2021, Virtual Meeting)**

***“The Role of Islamic Finance in Supporting Microenterprises and SMEs against COVID-19”
(1st Session – Presentation and Review of the First Draft of Research Report)***

13.15 - 13.30 Joining the Online Meeting

(The link for the participation will be conveyed in advance of the Meeting)

13.30 - 13.40 Opening

13.40 - 14.00 Introduction of the Research Report

- Presentation: Prof. Dr. Mehmet ASUTAY

Durham Centre for Islamic Economics and Finance

14.00 - 14.10 Questions and Answers (Q & A)

14.10 - 14.30 Selected Case Study Presentation

- Presentation: Dr. Nur Dhani HENDRANASTITI

Department of Management in Universitas Indonesia

14.30-14.40 - (Q & A)

14.40 - 15.00 Member Country Experiences

Malaysia: Optimising Role of Islamic Finance in Supporting SMEs in Times of COVID-19

-Presentation: Dr. Hamim Syahrul Ahmad Mokhtar, Central Bank of Malaysia

15.00 - 15.25 Contributions of International Institutions / Private Sector

*- Presentation: “Socio-Economic Impacts of COVID-19 Pandemic in OIC Member Countries:
Prospects and Challenges”*

Mr. Cem TİNTİN

Senior Researcher

SESRIC

- Presentation: **"IsDBG's Private Sector Strategy against COVID-19"**

Mr. Anouar HAJJOUBI

Lead ADF Specialist

IsDB

- (Q & A)

15.25 - 15.40 The COMCEC Project: S&P/OIC COMCEC 50 Shariah Index

- Presentation: **S&P/OIC COMCEC 50 Shariah Index**

Mr. Kenan TURAN

Ass. General Manager

Ziraat Portföy

- (Q & A)

15.40 - 15.50 COMCEC Financial Support Programs

Mr. Hasan YENİGÜN

Expert

COMCEC Coordination Office

- (Q & A)

15.50 - 16.00 Closing Remarks