

## **Fifth Session of OIC-StatCom**

**12-14 May 2015, Ankara-Turkey**

### **Session on “Implemented Activities of the OIC-StatCom”**

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## **Progress Report on OIC Islamic Financial Industry Database**

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### **1 Project Background**

In accordance with the resolutions of the Third Session of OIC Stat-Com held in April 2013, in Ankara, the OIC-StatCom decided to establish the Technical Committee (TCE) on “Islamic Banking and Finance (IBF) Statistics”. This TCE then called for an Expert Group Meeting (EGM) on IBF Statistics held in March 2014 at SESRIC Headquarters, in collaboration with the Islamic Research and Training Institute (IRTI) of the Islamic Development Bank (IDB) Group with the participation of 19 experts from 13 OIC Member Countries, Borsa Istanbul (Istanbul Stock Exchange), International Centre for Education in Islamic Finance (INCEIF) and Participation Banks Association of Turkey (TKBB). The EGM on IBF Statistics could be considered as one of the major steps towards defining the scope of IBF Statistics and highlighting the need for the launch of a comprehensive database on the subject.

In actualising the intention to establish a comprehensive and timely IBF Statistics database, SESRIC is collaborating with relevant international organisations including the Islamic Financial Service Board (IFSB), the World Bank Global Islamic Finance Development Centre and the IDB. In October 2014, SESRIC held a series of meetings with the World Bank Global Islamic Finance Development Centre located in Istanbul to develop a set of standards and methodological documents under IBF statistics. The two parties currently agreed on a project framework titled “OIC Islamic Financial Industry Database”.

This project aims at developing an Islamic financial industry database reflecting values and behaviours specific to Muslim Communities around the world. It will assuredly have impact on the future development of research in Islamic finance to which it can contribute to the policy-makers in formulating the strategy of financial inclusion.

## 2 Objective

To facilitate the development of an accurate, comprehensive, detailed and standardised database for the Islamic financial industry covering banking, capital markets, insurance and Non-Bank Financial Institutions (NBFIs) sector within OIC Member Countries.

## 3 Project Purpose

To identify the issues, to develop standardised methodology and templates for data collection and to collaborate with domestic and international stakeholders to collect, compile, perform quality assurance and publish data.

## 4 Expected Results

- Outlining a general framework including the methodology and the templates for developing a comprehensive database on Islamic financial industry.
- Establishment of a comprehensive database on Islamic financial industry to develop the necessary infrastructure for Islamic finance to become a major alternative to the conventional interest-based system.
- Increasing coordination among OIC Member Countries and the international community to collate, process and disseminate data on Islamic financial industry.

## 5 Target Group

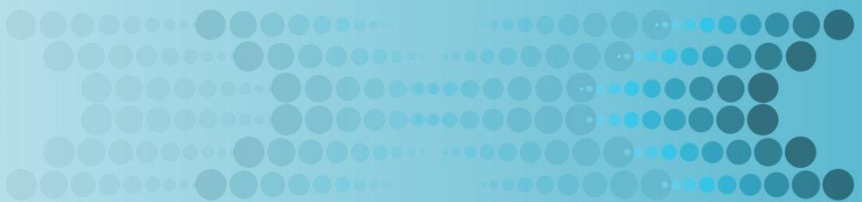
The National Statistical Offices (NSOs) and Central Banks of OIC Member Countries as well as SESRIC, the IDB Group, the World Bank Global Islamic Finance Development Centre, the IFSB and other relevant national and international institutions.

## 6 Activities to be Carried Out

It is suggested that the project will be undertaken in three phases, namely:

### I. Project Design, Scoping and Planning

The first phase will determine the scope and plan of the overall project including the total cost analysis. In this regard, the design, scoping and planning document will be prepared. Consecutively, an Expert Group Meeting (EGM) will be organised to get input from stakeholders of the document. At the end of this initial phase, the scope and



plan of the project will be identified and analyses of the next phases will be completed.

**II. Analysis and Development of the Methodology**

The second phase of the project will include an in-depth analysis and the development of methodology and templates for data collection for each sector, namely banking, capital markets, insurance and NBFIs.

**III. Implementation**

The third phase will include the implementation of the relevant methodology developed during phase one.

**7 Tentative Budget**

Project Phase	Cost	
<b>Phase 1: Project Design, Scoping and Planning</b>		
1. Human resources (technical assistance from consultants)	\$40,000.00	
2. Organisations of Expert Group Meetings (EGMs)	\$37,800.00	
3. Other (administrative)	\$4,200.00	
4. Incidental (4% of the total cost of 1,2 and 3)	\$3,280.00	
<b>Total Phase 1</b>	<b>\$85,280.00</b>	
<b>Phase 2: Analysis and Development of the Methodology</b>		
1. Analysis and requirements gathering	Estimated around \$500,000.00	
2. Development of template		
3. Consultations with stakeholders (including traveling cost)		
<b>Total Phase 2</b>		
<b>Phase 3: Implementation</b>		
1. Implementation of Banking Sector		
2. Implementation of <i>Sukuk</i> and syndicated lending database		
3. Development of regulation and supervision survey		
4. Insurance sector		
5. NBFIs sector		
<b>Total Phase 3</b>		