



PRESS RELEASE

IsDB and Borsa Istanbul sign Memorandum of Understanding to promote Islamic finance

Istanbul, Turkey, 24 November 2016 – The Islamic Development Bank Group (IsDB) and Borsa Istanbul have signed a Memorandum of Understanding (MoU) to promote Islamic finance in Turkey and other IsDB member countries.

The MoU was signed under the auspices of the President of Republic of Turkey, H.E. Recep Tayyip Erdoğan, during the 32nd Ministerial Session of the Standing Committee for Economic and Commercial Cooperation of the Organization of the Islamic Cooperation (COMCEC), held in Istanbul, Turkey on 23 November 2016.

The MoU states that the Parties will:

- Explore opportunities for IsDB’s strategic stake acquisition from Borsa İstanbul’s share capital.
- Cooperate on an integrated gold-trading platform to be established within the umbrella of Organization for Islamic Cooperation Member States’ Stock Exchanges Forum.
- Introduce innovative interest-free financial products, such as instruments to finance large public-private partnership (PPP) infrastructure projects, to the investor community in the region and seek ways to enhance the Sukuk infrastructure.
- Generate alternatives for liquidity management of participating banks through PPP products in accordance with Islamic finance principles.

- Bring their efforts together to form an international Islamic Finance Board in Turkey.
- Develop opportunities to exchange information, expertise and technical know-how, and provide consultancy/advisory to third parties pertaining to Islamic Finance in order to improve non-interest finance in Turkey and the broader region.

IsDB supports the Government of Turkey's initiatives to boost the Islamic banking industry and has helped establish Albaraka and KuveytTurk participation banks through equity investments. IsDB helped establish the first Islamic bank for Waqf foundations (Vakif Katilim) with General Directorate of Foundations (GDF) for US\$ 300 million. IsDB also supports efforts to promote Istanbul as a Global Financial Center.

Borsa İstanbul introduced the Sukuk (lease certificates) of IsDB, under its MTN US\$ 6.5 billion, on its Debt Securities Market Outright Purchases and Sales Market.