

INTERVIEW: Musa Hitam, the chair of the jury panel of The Royal Award for Islamic Finance

The Royal Award for Islamic Finance (The Royal Award) is one of the most prestigious awards in Islamic finance, honoring some of the most outstanding luminaries in the industry for their unparalleled contributions. Musa Hitam, the chair of the jury panel of the Royal Award for Islamic Finance, shares with us the significance of recognizing industry trailblazers and his thoughts on how the global Shariah finance industry has evolved.

How does The Royal Award retain its significance?

The Royal Award was established in 2010 by Bank Negara Malaysia and Securities Commission Malaysia as a biennial award to recognize individuals who have excelled in advancing Islamic finance through outstanding contributions to global development and advancement of the industry.

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Islamic finance industry, rather than commercial achievements. Winners are evaluated exclusively on their own merits and achievements in strengthening Islamic finance on a global scale. Over the last 10 years, The Royal Award have gone through five cycles and conferred The Royal Award title on five global recipients.

This award not only acknowledges and honors these individuals but also serves as an inspiration to the Islamic finance industry, driving the emergence of new leaders to continue advancing Islamic finance to greater heights. In addition, The Royal Award aims to create greater awareness, understanding and acceptance of Islamic finance globally.

In an effort to ensure The Royal Award continues to play a significant role in promoting development and innovation in Islamic finance globally, two new categories have been introduced in conjunction with The Royal Award: the Emerging Leader Prize and the Impact Challenge Prize, with the aim of uncovering innovative and sustainable solutions in Islamic finance and attracting the attention of a new talent pool for Islamic finance as well as encourage the use of Islamic finance solutions on a larger scale.

Do you feel the award offers sufficient representation of important emerging Islamic financial markets, such as those in Africa?

The Royal Award have gained much traction for the last 10 years. The nomination has recorded an increasing trend with candidates from a wide spectrum of stakeholder groups from different fields of expertise (academia, industry, Shariah and regulatory) and diverse geographical backgrounds from Asia, the Middle East, Europe, Africa and many more.

2018 saw the highest number of nominations and the pool of candidates was geographically diverse and covers a wide spectrum of stakeholder groups in Islamic finance, including Shariah, academia, market practitioners, research institutions, government agencies and multilateral organizations.

The award winner is decided by an independent jury panel. Can you provide insight into the role of the jury panel and the nomination criteria for The Royal Award?

An independent seven-member jury (local and global) applies rigorous selection criteria to assess an individual's

exceptional contribution toward Islamic finance globally before selection. These include driving policy development, growing and developing the market, advocating for Islamic finance, pioneering innovation, expanding the frontiers of knowledge, and exercising exceptional leadership and influence.

Toward ensuring the quality of the award, the award recipient is carefully selected by an independent international jury comprising eminent leaders, Shariah scholars, Islamic finance practitioners and academicians.

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It recognizes pure individual contribution in terms of driving policy development, market growth, Islamic finance advocacy, innovation and expanding the frontiers of knowledge and exercising exceptional leadership and influence, as opposed to specific transactions or deals-based awards.

How do you see your role as the chair of the jury panel?

As the chair of the jury panel, my role is to mediate jury members' diverse viewpoints and ensure that our opinions are properly translated into the selection process. With the composition of jury members coming from multiple backgrounds such as eminent leaders, Shariah scholars, Islamic finance

Call-out box

- In conjunction with The Royal Award for Islamic Finance 2022, two new prizes have been introduced: The **Emerging Leader Prize** and The **Impact Challenge Prize** with the aim to uncover innovative and sustainable solutions in Islamic finance as well as draw the attention of a new talent pool for Islamic finance.
- The Emerging Leader Prize recognizes and celebrates young international talent who have made outstanding contributions to the advancement of innovative ideas in Islamic finance. The prize is open to individuals aged 40 and below, who have served in their area of expertise in Islamic finance for at least five years.
- The Impact Challenge Prize aims to bring greater recognition to digital and innovative solutions based on Shariah principles or Islamic finance enablers, which can improve the economic and social resilience of financially impacted communities globally. The inaugural Impact Challenge Prize is organized in collaboration with the World Bank Group Inclusive Growth and Sustainable Finance Hub in Malaysia as a technical partner and supported by the Malaysia Digital Economy Corporation with 1337 Ventures as the virtual accelerator program provider.
- The closing date for all nominations and challenge applications is the **25th March 2022**. Further information on all categories, including global nominations and challenge applications, can be found at <https://www.theroyalaward.com>. For inquiries, please write in to RAIFSecretariat@seccom.com.my.

practitioners and academicians, we may see things from different perspectives/angles. Hence, it is crucial for me to intermediate diverse views from jury members and ensure that our thoughts are properly translated, harmonized and converged into a collective decision.

You have been the chair of the jury for The Royal Award since its establishment. How do you see the progress of Islamic finance over the years and what would you aspire for Islamic finance, moving forward?

The outreach of the global Islamic financial industry has moved beyond geographical and religious boundaries, evidenced by the rapidly surging interest from non-Muslim countries in recent years. The fundamentals of Shariah principles that emphasize on minimization/prevention of negative impact and maximizing positive value creation are universal to all.

In Malaysia, although the initial journey was to enable financial inclusion among Muslims, we have seen much evidence that clients are not choosing Islamic finance due to faith reasons. In fact, Islamic finance's client base in Malaysia is from diverse backgrounds and religions. Even in the corporate space, Islamic finance is a competitive choice alongside the conventional finance instruments, supported by the efficient

and comprehensive dual banking system. Positive transformation and innovations by the Islamic financial institutions including through the value-based intermediation initiative will further reinforce a more diverse customer base.

Moving forward

Digitalization is among the key drivers that will propel the growth of the Islamic financial industry. The [COVID-19] pandemic has accelerated the adoption of digitalization by consumers and businesses, shifting their preferences towards highly personalized yet affordable and seamless experiences. Coupled with rapid technology development and the emergence of new business models, these enable industry players to offer better Islamic financial services.

Equally important is for the industry to develop the right talent and expertise, to ensure they remain innovative and able to respond to the changes in the global financial sector environment. I strongly believe that having strong work ethics is critical to make sound moral judgments — this in itself would require a successful Islamic finance professional to not only be knowledgeable and have a keen eye on developments, but he must also be able to appreciate and mutually respect the differences of teachings and decisions across Mazhabs. (🌸)