

ISDA-IIFM Islamic Hedging Standards

Workshop on IIFM Standards - Islamic Hedging and Liquidity Management

Session: Islamic Hedging Standards

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Background of Islamic Hedging

- IIFM identified the need for risk mitigation framework at initial stage of the Islamic finance industry development in 2006
- IIFM & ISDA successful & exemplary 10+ years of collaboration in publishing ground breaking Islamic Hedging Standards supported by joint working group
- Initial target of Master Agreement, most needed risk mitigation product confirmation standards and Credit Support Deed were completed in early 2017

Background of Islamic Hedging

- IIFM & ISDA complement each other where IIFM arranges Shari'ah guidance and subsequent approval while ISDA arranges issuance of legal opinions and provides assistance to jurisdictions relating to governing law
- Consultation on 2nd phase of standards development involving additional Islamic Hedging products required for risk mitigation will soon commence

Thank You