



Middle East Mediterranean

An ELIAMEP Report

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Outlook**
M. Ahmed

**Christian
interest-free
finance**
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**Focus on the
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An interview with

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*Managing Director,
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Middle East Mediterranean

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Middle East Mediterranean (MEM) is an unbiased bimonthly report of the *ELIAMEP Middle East Research Project*, focusing largely on geopolitical and economic developments, debates as well as policies, affecting the future of the Middle East. Having a global outlook MEM hosts analyses, commentaries, interviews and news, conducting research in the fields of politics, economics and culture in the Middle East and adjacent areas, such as the Eastern Mediterranean.

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Editor's Note

Today at a time of global economic recession and lack of liquidity the international economic system is looking for ways to get out of the deadlock caused by the lack of capital and moral credit. In this process it is important to re-examine the role of interest-free economy in various cultural frameworks and compare it with the international conventional practice of interest-based economy.

In various international financial systems, various types of interest-free finance have been introduced systematically. The economic significance of the interest-free finance in multiples cultural contexts remains limited in terms of funds which are circulated globally. Yet it poses an interesting choice for the enrichment of the existing international financial market in terms of ideas and practices.

In modern times under the conventional financial intermediation system worldwide central banks assumed the role of lenders of last resort and are the authorities responsible and accountable for the monetary policy that affects economic activity and its sustainability by employing fundamentally the interest rate policies and the process of money creation. Under the strictly interest-free financial intermediation model, the role of monetary policy and the relevant means utilized to affect the economy in conjunction with fiscal policy seems to be still ambiguous.

By contrast, in Greece the field of interest-free finance remains *terra incognita*, where there are various financial investment opportunities in a range of fields, such as loan insurance. Hence, it is worthwhile re-thinking about the prospect of forming a pivotal financial regulatory framework for interest-free financial products.

The current issue of Middle East Mediterranean focuses on the comparison of the interest-based and interest-free models in the fields of banking and regulatory issues related to the concept of interest-free finance.

MEM

Analyses

Conventional and Islamic Banking: A Brief Comparison

Dr. Saleh Jallad

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The ongoing global financial and banking crisis has given further support to find safer alternatives, confirming the validity of two conclusions in favour of Islamic Banking: first, the participants in the Islamic banking suffered much less damage if any than conventional banking based on interest rate; second, conventional banking conceals grave economic injustice since they are perceived more as economic institutions that manage to privatize profits and globalize losses.

Islam to most Muslims is a complete eco-system where both the spiritual and the material wellbeing of the individual and the community are intertwined. Over a few centuries from its inception, the development of an Islamic economic paradigm based on free market principles was one of the major contributors to its growth transcending geographic, political, ethnic and racial barriers.

Recognizing the potentially devastating human materialistic frailties on the community if the individualistic drive is not voluntarily checked, Islam introduced certain canons *Sharia'a* stipulations (*Qur'an and Sunna*) that

ensure a minimum level of economic justice to all strata of the Islamic community. The prime cause of social and economic instability specified in the Qur'an, the *Holy Book*, is the *Riba*, (*interest*) translated as the interest rate, (*generally similar to the concept adopted by the Christian Church up to a few centuries ago*).

The Other important prohibitions and guidelines were also concocted for the welfare of the fabric of the community without endangering the rights and efficiency of the risk takers. It was perceived that ethical standards sanctioned by

sharia'a when observed by the individuals within the community can create an automatic calibration mechanism between economic and social justice and therefore produce adequate relative stability within the eco-system.

Financial transactions based on physical ownership by sellers and buyers survived in the Islamic world until recently particularly in remote areas where the onslaught of conventional banking system neglected. Likewise the conventional banking system was not immune from borrowing traditional Islamic financial and economic instruments. The English word *cheque* comes quickly to mind. It is derived from the Arabic word *Sukk*, (plural is *Sukouk*) which represents a contract between two rational parties.

Inherent in both conventional and Islamic banking systems is the concept of financial intermediation. The objective in both is to activate the socio-economic system by transferring money from savings - surplus units to savings - deficit units in the society including households, businesses, and governments. Both

have developed over time ethical norms each stemming from their particular historical maturity and the ethical postulates each adheres to. As time passed and as alterations in the material and spiritual environment developed, both experienced ethical changes and adaptations, understandably with different degrees. Conventional banking transactions modeled after the industrialized capitalistic ideology that incorporates the interest rate as central to its success, currently dominates the economic life of all social and political entities worldwide. Nevertheless unlike the Islamic banking, the conventional banking system are barricaded from their depositors; from then on the depositors who are the rightful owners relinquish their right to manage their property and transfer that right to the banking institutions. The Conventional banking institution accumulates its own wealth by exclusively managing on behalf of its depositors their money, fundamentally as a commodity that earns a return due to the factor of time, and considerably engages in

debt trading. Its profits accrue solely to its shareholders while its losses are for the account of the depositors. The system is almost exclusively based on the criterion of economic efficiency. It is recognized and strongly supported by governments, the industry, the public, universities and all civic institutions across the globe. The Islamic banking system has the opposite elements.

It has been evident that as the ethical stabilizing mechanism retrenched, the interest rate materialistic system had greater chance to progress. This fact has been most conspicuous in the Islamic world. That is until the beginning of the last quarter of the 20th century which corresponded with the first oil price increase. It however took off after the attacks on the World Trade Center in New York on 9th September in 2001. The ensuing rise in income as well as Islamo-phobia that infiltrated the Laws and regulations including the informal social channels of the majority of the countries necessitated a revisionist attitude in the Islamic world towards various

socio- economic elements. The search for safer alternatives and the intense introspection process many financial leaders went through led them to rediscover their dormant economic paradigm. The outcome was the rise of Islamic Banking as another alternative to conventional banking.

The Islamic ethical norms incorporated in the Islamic financial system that govern financial and economic transactions include *inter alia* freedom to contract; freedom from Riba; freedom from *Al Gharar* (*excessive risk*); freedom from unearned income (gambling); freedom from price control and manipulation right to transact at fair price; right to equal and accurate information; freedom from *Dharar* (*detriment*); mutual cooperation and solidarity (*unrestricted public interest*). They seem to have a growing confidence in this alternative and exercised a surprising positive impact on a wide range of economic entities worldwide.

During the past four decades Islamic Banking registered an

outstanding rate of growth geographically, structurally and financially. Today after almost four decades 267 Islamic banks operate in 45 countries and manage more than 265 billion dollars in assets at an average annual rate of growth 12%. Their deposit base has registered 201 billion dollars at an average annual rate of growth of 23%. Profits to them as well as their participants ranged at an annual rate of 11%. It is worth noting that 300 conventional banks including many international banks offer Islamic products. It is expected that within the coming 10 years Islamic banking will be a dominant economic activity in the Islamic world managing around 50% of the deposits of the Islamic World, as it has greater probability to satisfy major percentage of the Islamic population and as more confidence is generated by such financial intermediaries.

It is imperative to note that the recent financial and banking crisis that overwhelmed the world has given further support to find safer alternatives, particularly as various related financial data

confirm the validity of two conclusions in favour of Islamic Banking. The first is that participants in the Islamic banking suffered much less damage if any than conventional banking based on interest rate. The second is the general perception that conventional banking conceals grave economic injustice since they are perceived more as economic institutions that manage to privatize profits and globalize losses. Depositors in Islamic banking, unlike their counterpart in conventional banking are considered as owners (*Rab Mal*) and therefore share with the institution the profit and loss of the financial operations. The avoidance of excessive risk and the prohibition of debt trading reduce the inherent potential financial of catastrophes. Moreover, Islamic banking is open to non-Muslims as well, while considerable numbers of Muslims may opt not to transact with conventional banking institutions, particularly if such an option exists.

It is interesting to observe that Islamic Banking fast development materialized despite

the many obstacles currently related to government support as well as to other institutional drawbacks. The limitations in the infrastructure are manifested through various vital aspects of which we can mention a few. The awareness of the public of the Islamic Banking modus operandi is meager; the absence of qualified professional staff as most come from conventional banking sector does not materially help; sometimes it is confusing. Moreover, focused programs at universities if any are insignificant, and Shari'a experts who approve transactions have inadequate knowledge of modern economics.

On the other hand Islamic banking institution though are spending tremendous efforts, are yet to establish a range of products and services that can cover the majority of the requirements of the savings – deficit units of the economy. Consequently both conventional and banking institutions complement each other in the process of intermediation and the activation of the economy.

Governance in the Islamic Financial Institutions

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Governance is important in decreasing the risks which the institution encounters in case of the violation of the sharia as much as possible, hence, enforcing and increasing the quality of work performance and the trust of the transactions.

Governance strives to find an adequate working environment that is trustworthy and rich with moral values in a way that protects the rights and contributes to the society in goodness, progress and a decent life that is founded on faith and righteous work. The importance of governance lies in decreasing the risks which the institution encounters in case of the violation of the sharia as much as possible, hence, enforcing and increasing the quality of work performance and the trust of the transactions.

Governance seeks to improve the access to the global financial markets, finding an active banknote market issued by the institution and to elevate the marketability of the goods and services that are dealt with by the institution. Adding to that, achieve the best competitive

status for the institution that applies the standards of governance, and enable it to dominate as much as possible of the market in the areas of its activities.

Accordingly, governance supports the institutions that enforce the standards of transparency, disclosure of the data related to the bonuses of the members of the sharia committees, the external sharia audit, expenses related to the joint investment accounts between the depositors and the shareholders and the rates of profits allocation, which leads to boost the trust in those institutions enforcing the standards of governance and invoke its principles and mechanisms, which in turn promotes an atmosphere of trust in the institution, its regulations and activities.

Moreover, it seeks to control the administrative relations between the concerned parties in the companies and the institutions, determine the administration responsibility when implementing the transactions efficiently, achieves the systematic and sharia requirements, in addition to establishing the form that determines the goals of the institution and the means to realize those goals and monitor the performance. Further, to separate between the conflicting authorities and jobs to guarantee clear mechanisms to shoulder the responsibility and accountability.

Governance has a major importance in protecting the finances of the shareholders via the implementation and the enforcement of the financial, administrative and sharia control. In addition to combating financial and administrative corruption through the execution of the disclosure and transparency principles and providing valid and clear information concerning the activities

and the financial status of the institution.

The emphasis on the governance of the sharia committees especially in the Islamic financial institutions aims at providing a unique business environment that is featured with Islamic ethics which are not easily portrayed merely via the rules and regulations; rather it should be bound with the virtual application. Accordingly, with the spread of this highly ethical culture we contribute in creating a working environment of a high level of execution and control which guarantees equity for the concerned parties and contributes positively to the society and community as a whole.

Governance from Sharia point of view

The peculiarity of governance in the Islamic sharia stems from the significance of an efficient presence of the sharia committees, based on that, the sharia dimensions emanating from the dogmatic dimensions and the jurisprudence of

transactions gives the governance of the Islamic financial institutions dimensions with more presence and authentic than the governance in the traditional financial institutions bearing in mind the peculiarity of sharia.

This governance meaning goes in line with what sharia has basically came with and not as an emergency case as in governance. Money and its possession is deemed as one of the five goals where protecting the money, utilizing it and keeping it away from corruption are of the main goals of the Islamic sharia. Thereat, and with the respect of the of corporations and what's related to them, sharia provisions came for all types of corporations as well as the agency contract to organize the relationship of the administration with the corporation and the shareholders.

Principles of Governance in the Sharia

1. Equity: equity is regarded one of the most essential foundations of the sharia-compliant contracts.

2. Responsibility: that is the accurate identification of the appointed responsibility of both parties, and fulfilling it sincerely and honestly. Furthermore, the responsibility of each party in the enterprises is determined by the Islamic sharia accurately for any responsibility carried out by a muslim upon contracting with others not only would he be responsible to the other contractor but he would first be responsible to god. And here prophet Mohamad prayers be upon him said: "All of you are guardians and responsible of your wards."

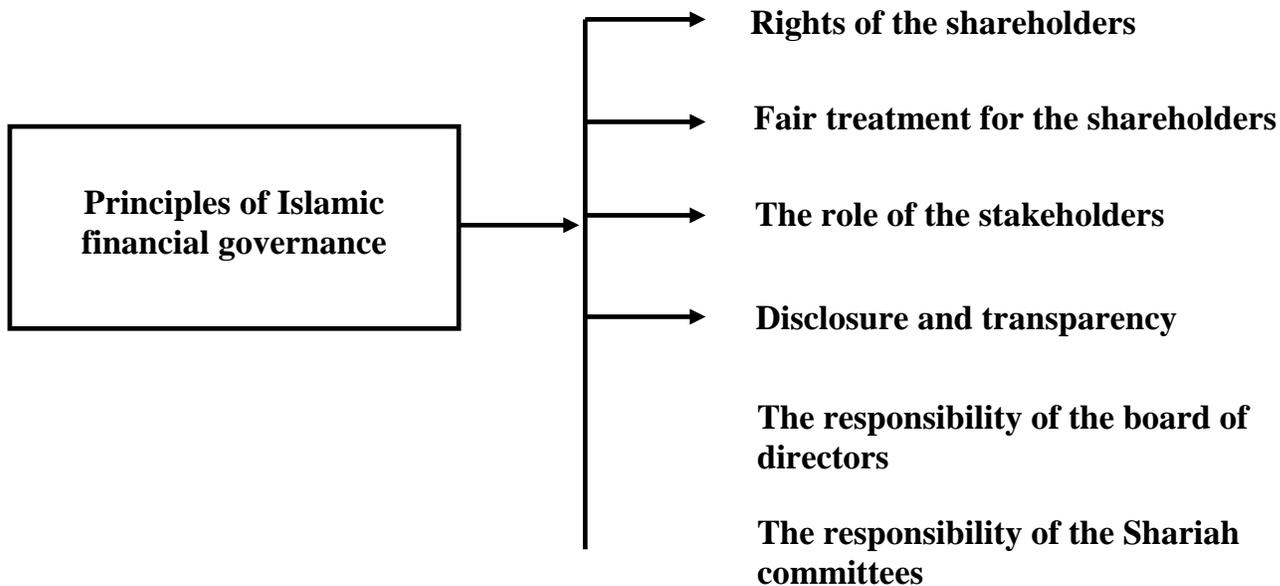
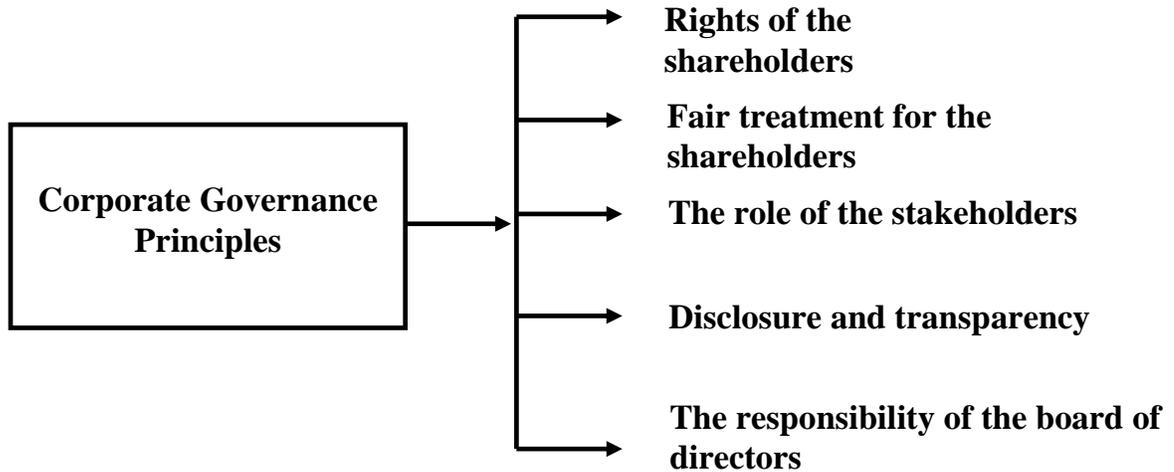
3. Accountability: which means the importance of holding every amenable for his obligations, and binding their fulfillment of those obligations with a penalty system. Regarding the organizing of the transactions contracts, Sharia has laid the foundations of holding each of party of the contractors responsible depending on their commitment to meeting their duties in the contract, and it has imposed drastic penalties for whom who

violates those obligations. It is not restricted on the sharia or administrative or judicial penalty but it is also a divine one. Prophet Muhammad (peace be upon him) has practiced the administrative control which is viewed as a form of governance, and this is referred to in the hadith of Ibn Al-Lutbiyya, where the Prophet appointed Ibn Lutbiyya, a man from the Azd tribe, to be in charge of Sadaqa (authorizing him to receive gifts from the people on behalf of the State). He came with the collection, gave it to the Prophet (peace be upon him), and said: This wealth is for you and this is a gift presented to me. The Prophet (peace be upon him) said to him: Why didn't you remain in the house of your father and your mother to see whether gifts were presented to you or not if you were telling the truth?

4. Transparency: that is sincerity, honesty, accuracy and holism which all are linked to the data given for the performance or the work in the institution for the concerned parties and for the ones whom are not able to directly supervise their business,

despite that they have interests as the shareholders in the shareholder companies in order to observe the honesty and efficiency of the administration in managing their finances and preserving their rights, and enable them to take the right decisions in their relations with the institution.

Consequently, governance in the Islamic sharia isn't only confined to those principles; rather, it exceeds them to moral dimensions that laws and regulations might not detect. Thus, it stems from a religious and moral influence which holds each and every amenable- in his position- responsible to an abstract authority before the other authorities, and urges his self censorship. But this responsibility cannot be monitored; rather it could be inculcated via sufficient training for the employees by directors and others on the ethics of the Islamic financial business which differs from the traditional financial business, where it raises the quality of the functional performance via disclosure, transparency and observing the interests fairly.



A comparison between the principles of governance in the traditional financial institution and in the Islamic financial institutions. Based on the Organization for Economic Cooperation and Development (OECD).

Comments

A Post-Crises Outlook: Activation of Economy through Interest-Free Finance

Prof. Mahmood Ahmed

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The impact of three potentials for interest-free (risk-sharing) finance on mobilizations of financial resources of Islamic banks Bangladesh have shown higher growth than those of its counterpart contemporary conventional banks. It indicates prospects of introducing interest-free finance in the Greek market for activation of post-crises economy..

Islamic banks implement economic and financial principles of Islam, as enshrined in the *Shariah*, in banking sector of Muslim and non-Muslim countries. It uses Islamic finance products like *Mudaraba*, *Bai-Murabaha*, *Bai-Muajjal*, *Bai-Salam*, *Istishna*, *Ijara*, etc., instead of conventional financing mechanisms like, loan and advance, cash credit (CC), over draft, (OD) etc.¹ It earns ‘profit’ (not ‘interest’) from the *Shariah*

compliant economically viable projects and credit worthy customers.

Features of the Interest-Free Finance Products

There are equity-based and debt-based Islamic finance products to mobilize savings and investment in Bangladesh.

(i) Equity-Based Products:

¹ Cf. Annual Reports of Islamic Banks of Bangladesh

*Mudaraba*² is used for deposit mobilization³ where, the depositors are ‘owners of fund’ and Islamic banks are ‘Entrepreneur.’ Depositors share the profit or bear the loss of banking. Therefore, the risk (Result of non-performing assets) is being shared with the *mudaraba* depositors. So the banks accept *mudaraba* deposits at provisional rates⁴ and then declare the final rate of profit on it.⁵ This practice of

‘variable rate’ in deposit mobilization has developed a ‘shock absorption capacity’ of the Islamic bank. This unique nature of the Islamic bank has set an in-built mechanism of risk minimization for the industry.

(ii) Debt-Based Products:

*Bai Murabaha, Bai Muajjal, Bai Salam, Ijarah*⁶ etc., are extensively being used by Islamic banks Bangladesh for deployment of funds.⁷ It buys goods from the market, on request of the client, and immediately afterwards sell it to the client, at a fixed rate of profit (Cost plus). Proper documentation is essential for the safety of bank’s investment because it constitutes the legal security. Out of this, Islamic banks earn ‘markup profit’ as it convert money into goods, which ensures ‘money link’ with the goods, and which ensures control over

² *Mudaraba* is a financial contract where one party provides fund for business, called *rabb-al-mal*, and another party, called *mudarib*, is responsible for the management of the business and provides professional, managerial and technical expertise for initiating and operating the business enterprise or project. Profit is shared according to a pre-agreed ratio. Loss if any, are entirely absorbed by the capital provider. Cf, Mohammed Obaidullah, *Islamic Financial Services*, 1st edition, King Abdul Aziz University, KSA, 2005, 57-58.

³ Cf. *Annual Reports. Op.cit.*

⁴ Cf. Islami Bank Bangladesh Ltd, Circular letter no FAD/3609 dated 01.09.2015. It was mentioned in the circular, “Considering the changed Rates of Profit/ Interest of different banks and other related issues, the management of the bank has decided to revise/ refix the provisional rates of profit on various types of *mudaraba* deposits w.e.f. 01.09.2015 for the year 2015 and onwards till further revision as mentioned below.”

⁵ Ibid, FAD/3749 dated March 28, 2015. It was mentioned in the circular, “The management of the bank has decided to finally distribute 68.07% of the investment income earned through deployment of *mudaraba* fund to the *mudaraba* depositors

for the year 2015. Accordingly the final rates of profit for the year 2015 on various types of *mudaraba* deposits have been declared.”

⁶ Cf. Obaidullah, *op.cit.*, pp.67-93.

⁷ Cf, *Annual Reports, op.cit*

‘money movement’ ultimately contributing to minimization of overdue risk of Islamic banking. “To the extent Islamic finance remained shielded from the gravity of the crisis, the main reason, everybody agreed, was its closer ties with the real economy⁸.”

Islamic finance products are interest (*riba*)-free. Obaidullah⁹ mentioned that prohibition of *riba* is the cornerstone of an Islamic financial system. According to ‘Fractional Reserve System of Banking’, Islamic banks Bangladesh maintain 10% Statutory Liquidity Reserve (SLR) including Cash Reserve Ratio (CRR) with the central bank, which is 18%¹⁰ for the conventional banks (14% SLR + 4% CRR), on the ground that they cannot account interest on the SLR maintained with the central bank. Hence Islamic banks earn more than conventional banks do because the excess liquidity (18% -10% = 8%) of

Islamic banks is invested at commercial rates which generates higher income. Moreover it shows higher liquidity of Islamic banks, so depositors feel safer, attracting more deposits and foreign remittances. Furthermore, foreign banks feel encouraged to accept the L/C of Islamic banks.

There is a system to recover the principal amount of investment without profit, in case of default caused by an ‘Act of God’, but in case of willful default, there is no alternative to the Islamic bank except demanding principal with compensation. However Islamic banks do not consider the compensation as part of income but there is an opportunity to make provisions against bad or classified investment or pay corporate tax from the compensation fund. As per Islamic *Shariah*, the compensation fund is being spent in social welfare activities as a part of corporate social responsibility (CSR),¹¹ contributing

⁸ Asyraf Wajidi Dusuki (Editor-in-Chief), *Islamic financial System: Principles and Operations*, ISRA, Malaysia, 2011, P.837.

⁹ Obaidullah, *op.cit.*p.21.

¹⁰ The percentage varies from time to time.

¹¹ In case of CSR, Islamic banks are guided by the Governance Standard -7 of Accounting and Auditing Organisation for Islamic Financial Institutions (AAOIFI). Islami Bank Bangladesh Ltd., the largest

to the increase of goodwill. These factors help minimize risks and increase business.

It appears therefore that the potentials for Islamic finance, which ensures ‘company efficiency’¹² for the Islamic banks, are as follows:-

- i. practice of ‘variable rate (Equity-based product)’ in deposit mobilization;
- ii. practice of ‘fixed rate (Debt-based products)’ in financing; and
- iii. Avoidance of interest in transaction.

These potentials have impact on higher growth of savings and investments of Islamic banks Bangladesh than those of its

counterpart contemporary conventional banks.¹³

In order to kill the main culprits of the crisis like easy money, uncontrolled growth of credit and debt, lax regulation and supervision, innovation of complex and opaque financial products, mismanagement and mispricing of risks involved, lack of disclosure and transparency, predatory lending and high leverage, an interest-free financial system should be in operation. As has been in Bangladesh, Islamic banking system in Greece may be an encouraging experience. Islamic financial products are useful in the society irrespective of caste, creed and religion even in a secular society. Analysis of Islamic finance products shows that a viable non interest banking system may be developed in any country world-wide regardless of faith and similar affiliation.

private bank, performs CSR through Islamic Bank Foundation. The bank spent BDT. 1012 million during the period 2014-15. See Annual Report of IBBL2015, pp. 84-91 and also see IBBL Statement of CSR Activities of the Bank, vide letter no. IBBL/HO/CSAD/2015 dated 31.7.2015.

¹² It is a factor that helps company running with cost efficiency.

¹³ Cf, Mahmood Ahmed, “Islamic versus Conventional Banking in Arab Region: Premises and Promises,” Paper presented in International Conference of Islamic Development Bank, Jeddah on ‘the Prospect of Arab Economic Cooperation’ Alexandria, June 16-18, 20004, Mimeo. 1-29.

Reviewing Reality: Interest-free banking in a Christian Context

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Head of the ELIAMEP Middle East Research Project

Nowadays a financial regulatory system based on an interest-free economic model is an attractive option for Greece and other Eurozone markets. Exploring the ground to include in the financial planning of the market, an interest-free development scheme with aspects of Christian financial outlook could be the case in the future for the sake of developing real economy.

The current global economic recession and credit crisis is so serious that many voices are now calling for major reforms of the international financial systems, including international banking and finance and the international financial institutions. The current global declining economic system needs mainly two things: ethics and liquidity. The role of interest is central in the unraveling decadence of global proportions. This analysis deals with the pre-modern Christian concept of interest-free economy as a means of re-establishing trust, re-fueling the markets with actual liquidity and not speculative and logistical funds, and

eventually restarting real economy in Greece and globally.

In the past two centuries the role of capitalism has been instrumental and has been defined by the prevalence of profit rationalism and interest at the expense of ethics in finances. What defines the so-called conventional international financial system is the competition between liberals-new liberals supporting state-free trade and business and the conservatives, supporting state intervention in economy.¹⁴ In the nineteenth century

¹⁴ Nikolaos Karagiannis (2001). "Key Economic and Politico-Institutional Elements of Modern Interventionism."

the rivalry between Capitalism and Communism monopolized the struggle for economic prevalence globally. In recent years the Third Way was unraveled with many expectations but it soon became clear that there could not be a middle way in a secular financial model.¹⁵ Yet another more essential couple of concepts, actually the main one in history, were being formulated in the economic arena of the nineteenth, i. e. the conflict between materialism and religion.

Since the time of Enlightenment Movement the role of metaphysics and religion was sidelined and almost disappeared after centuries of predominance in the sphere of public life. In politics nationalism became the driving force replacing religion. In economy the rivalry between the Protestant and Catholic Christianity altered with the alliance between the liberals of

finance and the Protestants, an alliance which gave rise to Capitalism.¹⁶ Yet, in the late nineteenth-early twentieth century contrary to the main messages of the Enlightenment Movement, the Catholic Church attempted to halt the expansion of Capitalism by developing the concept of political Catholicism and the economic theory of Distributism.¹⁷

In regard to Distributism, based on the teachings of Pope Leo XIII and Pope Pius XI, property ownership is viewed as a fundamental right. In its effort to bring about just social order the theory also advocates a society marked by widespread property ownership.¹⁸ Going against state

Social and Economic Studies 50 (3/4): 17–47.

¹⁵ Jane Lewis, Rebecca Surender (2004). *Welfare State Change: Towards a Third Way?* Oxford University Press, 3-4, 16.

¹⁶ S. O. Becker and Wößmann, L. (2009), “Was Weber Wrong? A Human Capital Theory of Protestant Economic History”, *Quarterly Journal of Economics*, 124 (2), 531-596.

¹⁷ Michael Coulter (2007). *Encyclopedia of Catholic Social Thought, Social Science and Social Policy*. 85.

¹⁸ “Neither Capitalism nor Communism: Distributism,” April, 15, 2014, On Religion:

socialism, plutocracy and corporatocracy, Distributists adhered that the means of production should be spread widely instead of being centralized under state control, corporations and certain individuals.¹⁹ Obviously Distributism has been in opposition to both socialism and capitalism because both latter concepts are products of the European Enlightenment. In practice Distributists founded the Mondragon Corporation in Spain (1956), the Guild of St. Joseph and St Dominic in England (1920) and recently the Big Society in London (2010). Distributists seek to adjust economic activity to human life as a whole, to spiritual, intellectual life and eventually family life. In this

<http://www.onreligion.co.uk/neither-capitalism-nor-communism-distributism/>

¹⁹ Shiach, Morag (2004). *Modernism, Labour and Selfhood in British Literature and Culture, 1890-1930*. Cambridge University Press, 224; Zwick, Mark and Louise (2004). *The Catholic Worker Movement: Intellectual and Spiritual Origins*. Paulist Press, 156; Gibson-Graham, J.K. (2006). *A Postcapitalist Politics*. University of Minnesota Press, 224.

context the similarities with Islam are striking.

The case of interest

Originally, interest meant interest of any kind. Today is the practice of making unethical monetary loans that unfairly enrich the lender. A loan is usurious due to excessive interest rates or other factors. In many religions such as Christianity²⁰, Islam²¹ and Hinduism, charging any interest at all is viewed as interest. In the Judaic tradition interest is forbidden in loans given to compatriots but not to foreigners, a practice very much alive today.²²

Whilst Protestant Christianity is not very active in discouraging practically and widely interest, Christian Catholic finance supervises financial and banking activities

²⁰ Luke 19 :22-23 ; 6:34-5; 6:38 ; Mathew 5:42.

²¹ Qur'an: Al-Baqarah 2:276-280; Al-'Imran 3:130; Al-Nisa 4:161; Al-Rum 30:39;

²² Deuteronomy, 23:19, 23:20; Exodus, 22:24 (25); Leviticus 25:36-37, Ezekiel, 18:17; Psalm 15:5.

based on moral principles resulting from the interpretation of the Bible and from the doctrine of the Roman Catholic Church. Both, Islamic and Christian Catholic types of finance share similar basic principles: obligation to give priority to virtuous savings, obligation to share profits, obligation of financial exemplarity, prohibition of unjust profits, prohibition of short-termism, prohibition of non-virtuous investment, and obligation of transparency. On its part, the Christian Orthodox financial theory is just beginning the process of shaping its theoretical framework.

Given that some Greek philosophers such as Aristotle and Plato, as well as Roman thinkers (Cicero and Seneca) clearly denounced interest, their work had an impact on subsequent scholastic Christian theology. The Roman Catholic St. Thomas Aquinas, assimilated ancient Greek philosophy (Aristotelian natural law rationalism) in the Christian theology and claimed that charging of interest is wrong because it

amounts to "double charging", charging for both the thing and the use of the thing, e.g. charging for selling of a bottle of water and for drinking the water. Money is a medium of exchange, and is used up when it is spent. To charge for the money and for its use (by spending) is therefore to charge for the money twice. Aristotle argued that interest is unnatural, because money is a sterile element and cannot naturally reproduce itself. Thus, interest is in conflict with natural law and offends Christian revelation.

As a result, nowadays the Christian Finance Observatory ("CFO"), a non-profit international organization, gathers professionals of Christian ethical finance. It published in 2015 the First codification of the genre, the "Fundamental Charter of Christian Ethical Finance". The drafting committee consisted of participants from several countries (Belgium, Luxembourg, Switzerland, Germany and France). The Charter considers the schools of Christian thought (Protestant, Catholic and Orthodox)

on financial matters. Additionally it shapes a practical codification of financial practices, sorting them as virtuous and non-virtuous.

To sum up, the prospect of forming a financial regulatory channel based on a interest-free economic model seemed a utopia prior to the crisis but it seems more realistic now, especially when day after day the crisis is worsened. In Greece and other European countries, it will be useful, and possibly necessary, in the near future to explore the ground to include in the financial planning of the market,

a development scheme based on interest-free finance, taking into account the Christian orthodox outlook into the matter. Such a scheme will not engage in projects with high risks and will not lend and participate in the organization of speculative trading in the currency and stock markets. An initial goal of the fund investments will be financing the real economy, equipment, technology, production areas; after a certain period it could additionally provide financial services to the population.



Focus on the *Greek Financial Market*

Seven years ago, when Greece entered the debt crisis tunnel, the need for economic extroversion of the Greek economy was particularly highlighted. The need for shaping and implementing a successful development scheme has remained *desideratum* ever since. The impact of severe austerity measures has been considerable on Greek economy. At the time few people hoped that Greek productivity which had hit low record levels could improve rapidly and alter its orientation to seek clients abroad. Additionally there is a deadlock between the ongoing economic recession and the inefficiency of Greek governments to lead the economy to the path of development. In such an environment it is important to examine whether the Greek financial system could operate in a creative way to restore trust in the Greek market.

In this context, Lic.oec.HSG Petros Geroulanos, Managing Director of the EPIGON Marketing AG based in Switzerland points out in his interview certain aspects related to the current status of the Greek financial market.

Q1: *Are you optimistic about the future of Greek economy after seven years of austerity measures?*

A1: I believe that over the next decade there will be hope and room for improvement. Currently however, the country and the economy are in lethargy. We have still not seen the end of the austerity. Over the next 18 months this will hit the Greek people and their pockets even further. A significant part of society still needs to go through their

personal renaissance and develop what Max Weber called the protestant (work) ethic. The current government will soon recognise, that in order to redistribute, it must first earn. As my 8-year old daughter already knows, you cannot spend more than you earn.

I am always optimistic and the Greek economy will have a future. Where there is a will there is a way. There are some fundamental rules of

economic survival. One is, that at least over time, you cannot spend more than you earn.

Structurally, the economy and in particular the labour market has very roughly the following challenge:

The Greek population is about 11 million, of which: *4 million are pensioners, 1.5 million are unemployed, 1.2 million work in the wider public sector, and 1.8 million work in the private sector.*

You don't have to be a genius, to realise that the figures can't tally. Even the most extreme and illusionary model recognises, that 3 million people have to pay for 5.5 million. (The fact is closer to 1.8 million people are currently paying for 6.7 million).

The first step in the learning process of a society, that has not gone through renaissance, technological development and a protestant (work) ethics, is to tax the few that earn and wait for the others to leave the system. This approach is of course failing. The country is sailing directly into an operational deadlock.

Q2: *How can Greece get out of the operational deadlock between the ongoing and deteriorating economic recession and the inability of Greek governments to shape and implement various development schemes?*

A2. Pensions: Reduce the number of people receiving a pension rather than cutting their contribution. Many Greeks receive a legitimate pension from the age of 40. These people still have a capability to contribute to the economy for another 30 years.

Unemployed: Reduce the unemployed by getting them into jobs.

Public sector efficiency: Reduce the public sector by getting these people to work in the private sector. It costs the Greek public sector EUR 5 for each EUR 1 it generates in value.

The true recovery of the Greek economy can only stem from the small family businesses. (I don't mean SME's like in the rest of Europe as these have over 10'000 employees and operate in more than ten countries. I mean companies

with up to 50 employees, but in reality somewhere between 5 to 20.

This requires entrepreneurship (as opposed to a self-employed service provider running around with a blockaki).

And for the entrepreneurs, we need a stable legal and financial environment. All the northern neighbours in Greece have policies in place that seem to work. Bulgaria attracted 60'000 Greek companies in the first quarter of 2016.

Q3: *In such a demanding and challenging environment in Greece could the Greek financial system operate in a creative way to restore trust in the Greek market?*

A3: Trust comes from a fast, fair and clear legal system that is enforced by the authorities. Once the smoking ban in restaurants will be enforced, you will know that we have reached that level of trust. It is not about if the smoking ban is right or wrong, but once it is the law, why is it not respected?

Q4: *Are you concerned about the future liquidity status of Greek banks?*

A4: Not really. I am concerned about the current liquidity status of Greek banks. The current liquidity life line is allowing to freeze the non-performing loan problem. In essence, they have been indirectly nationalized.

Q5: *What is your view about the recent announcement of the Bank of Greece on loosening capital controls in the Greek banking system?*

A5: It is a very welcoming measure. The BoG is stuck between a rock and a hard place. The bank will be only able to move with small slow steps. The capital controls will be with us for a long time to come.

Q6: *Is the reluctance of Greek public to re-deposit their capital to Greek banks a sign of mistrust to the political establishment in Greece and how such a gap can be bridged?*

A6: How long does it take to build trust and how fast can you break it. It will take a long time to rebuild this because once burnt, twice shy. The concept of banks is currently being revolutionised. Not because of Greece. The mix of capital and liquidity requirements and lack of

up-to-date service from the incumbents is subject to disruption by start-up FinTechs.

The blockchain technology will introduce smart financial contracts. The payment system will move from a currently expensive centralised system to a cheap decentralised app. Transferwise is a first example for this. Robo-advisor can do a more sophisticated asset allocation in less time than any private banker. Though this raises the eyebrows of the current banking clients, but the Millennials want a cheap and fast fix.

Q7: *Given the need for new development schemes, what is your view about international proposals related to interest-free investment partnerships?*

A7: Having been working with Islamic banks in Malaysia and the Middle East for more than 20 years interest-free models come with a profit and risk sharing component. In this way, they are not materially different to the current system

Q8: *Since interest-free investment schemes are already a part of the*

international banking system all over the world, including the Eurozone, is the Greek financial market ready to adopt this type of financial collaboration?

A8: Surely, this can work. It is mainly demand driven. So if there is demand from these investment funds it is easy to structure such investments. In the western world, the key concern is how disputes are resolved and any agreement legally enforced. Whereas the Greek legal system is weak by any standard, the UK legal system can step in here. Another question is how well is the sharia board in northern Greece recognised by potential investors to make these investments truly acceptable

Q9: *Do Greek private systemic banks see interest-free banking as a source of liquidity at a time of strong liquidity demand?*

A9: Usually, the demand is driven by the domestic supply of cash. On deposits, the profit rate is lower than traditional interest rates and on loans, it is higher. So the spread to the banks tends to be more profitable.

Currently, the European regulators are more than reluctant to wide existing banking licenses (even for core activities). If there is appetite within the Greek banks we must ask the treasures of the four banks.

Q10: *Is the National Bank of Greece interested in establishing a branch of interest-free banking in fields such as business loans?*

A10: I don't know.

Q11: *Last year Nicosia expressed its interest in opening the Cypriot*

market to Islamic bonds. Could the Greek market act in a similar fashion?

A11: In theory, yes. It would be driven by a specific large demand

Q12: *Is the recent mobilization of the EU South to the direction of forming a bloc vis-à-vis the EU North a positive development for the Eurozone?*

A12: I favour when political leaders talk because it assists in expressing views and finding consensus. The platform itself is not relevant. 🇬🇷

Monitoring the Middle East

General News

Bahrain

EU: Bahrain crackdown on dissent fuelling sectarian differences (30 June, 2016)

The European Union says Bahrain's crackdown on political dissidents will only hinder efforts towards national reconciliation. "We are witnessing a series of worrying developments, including ongoing judicial proceedings regarding the suspension of Bahraini opposition political society al-Wefaq, which point to increasing polarization of society in Bahrain," read a statement released by the EU's European External Action Service on Tuesday. It added that Manama's extending of the jail term for prominent Shia cleric Sheikh Ali Salman, the head of the main Shia opposition movement al-Wefaq, the re-arrest of prominent human rights activist Nabeel Rajab, and revoking the citizenship of prominent figures such as Shia cleric Sheikh Isa Qassim will only fuel sectarian differences.

Egypt

Egypt court voids islands deal with Saudi Arabia (21 June, 2016)

An Egyptian court has voided a maritime border deal signed with Saudi Arabia that would hand over the control of two strategic Red Sea islands to Riyadh. The agreement, signed in April, conceded Egypt's control of the strategic Tiran and Sanafir islands to Saudi Arabia, sparking angry protests in Cairo and other cities. The ruling is a setback for President Abdel Fattah el-Sisi, who had asked

Egyptians in a speech to end the controversy over the islands deal, which was announced during a visit to Cairo by the Saudi king. The state has the right to appeal the ruling at a higher court, and the accord must also be approved by parliament. Egyptians, who have considered the islands to be their land for decades, say Sisi is selling their territory with a humiliating concession to a wealthy ally. Critics also say the agreement violates the Egyptian constitution.

Iran

Salehi: No heavy water for US without upfront payment (31 May, 2016)

The head of the Atomic Energy Organization of Iran (AEOI) says the delivery of the country's surplus heavy water to the United States is conditional on Washington making full payment in advance. Speaking on the sidelines of a ceremony held to sign a cooperation agreement between the AEOI and Oil Ministry, Ali Akbar Salehi said on Monday the precautionary measure is taken in the wake of an April US Supreme Court ruling, which authorized the confiscation of around USD two billion in frozen Iranian assets, to ensure such future ploys by the US are neutralized.

Iraq

Iraqi army liberates Fallujah (26 June, 2016)

The commander of the Fallujah liberation operation has declared the strategic western city fully liberated from Daesh terrorists. Lieutenant General Abdul Wahab al-Saidi, the commander of the Fallujah liberation operation, told Iraqi state TV on Sunday that the last remaining district held by Daesh in the city had been retaken. "We announce from this place in central Golan district that it has been cleaned by the counter terrorism service and we convey the good news to the Iraqi people that the battle of Fallujah is over," he said.

Kuwait

Kuwait security bust 3 Daesh terrorist cells (27 June, 2016)

Kuwaiti security forces have dismantled three Daesh cells that were preparing for attacks in the Persian Gulf state. According to a statement released by Kuwait's Interior Ministry on Sunday, five Kuwaiti citizens were arrested during the operations. All of them confessed to being members of the group. The statement noted that police are still looking for several people suspected of aiding the cells. One of the arrested is 18-year old Talal Raja who has confessed to planning an attack on a Shia mosque and a government building at the end of the holy Muslim month of Ramadan.

Lebanon

Bombings target eastern Lebanon close to Syria border (27 June, 2016)

A new series of bombing attacks has hit an eastern Lebanese village located close to the border with Syria just hours after another series of explosions in the village. Late on Monday, three motorcycle-riding attackers detonated bombs in the center of Qaa village, one in the vicinity of a church and the other two outside a municipality building. According to the Lebanese Red Cross, a large number of civilians were injured in the attack. "Clashes are ongoing on the outskirts of the village between the Lebanese army and armed groups," said a security source. Earlier in the day, six civilians were killed and 19 others injured when four terrorists detonated their explosives in a crowded area in the village.

Libya

Libya troops retake Sirte area after clashes with terrorists (30 June, 2016)

Forces loyal to the Libyan unity government have wrested control of a district south of the city of Sirte following heavy clashes with Takfiri Daesh terrorists, officials say. Mohamed Gnaidy, intelligence chief for Misrata forces, told Reuters on Friday that the residential 700 neighborhood was under the control of his troops who are supporting the UN-backed Government of National Accord (GNA). “Residential area 700 has been liberated and as of 6 p.m. the Ouagadougou conference center and the hospital are surrounded,” Gnaidy said, adding that airstrikes were carried out on the conference hall.

Nigeria

Militants attack oil, gas pipelines in southern Nigeria (27 May, 2016)

Militants from the Niger Delta Avengers (NDA) have blown up gas and crude oil pipelines belonging to the Nigerian National Petroleum Corporation (NNPC) in Delta State. Eric Omare, a Delta State governor aide and spokesman for the Ijaw Youth Council, said on Friday that the assailants carried out the attack at about 11:45 p.m. local time (2245 GMT) the previous night near the city of Warri. "Another crude pipeline was attacked Thursday night near Batan oil field in Warri," he said. Warri resident Augustine Amaka said the assault on the crude pipeline had caused an oil spill and polluted the surroundings.

Palestine - Israel

Ban Ki Moon: Israeli siege on Gaza hurts people (28 June, 2016)

United Nations Secretary General Ban Ki-moon has condemned the Israeli blockade on the Gaza Strip, saying the siege inflicts pain on people and damages the economy of the Palestinian coastal enclave. Ban made the criticism on Tuesday during his trip to Gaza in a press conference at the al-Zaytoun school run by the UN Relief and Works Agency for Palestine Refugees in the Near East (UNRWA). Tel Aviv's blockade of Gaza "suffocates its people, stifles its economy, and impedes construction," he said, warning that the siege fuels tensions between the Palestinians and Israelis.

Israel, Turkey 'reach normalization deal' (27 June, 2016)

Israel and Turkey have reached an agreement on the normalization of their relations six years after an Israeli raid on a Gaza-bound Turkish aid flotilla killed 10 Turkish activists in high seas and sent their ties spiraling into a cycle of tensions. An Israeli official said on condition of anonymity on Sunday that the deal had been reached but would be officially announced on Monday. Israeli commandos attacked the Freedom Flotilla in international waters in the Mediterranean Sea on May 31, 2010, killing nine Turkish citizens and injuring about 50 other people. A tenth Turkish national later succumbed to the injuries sustained in the raid.

Saudi Arabia

Saudi Arabia to launch new surveillance center (12 June, 2016)

Saudi Arabia is planning to launch a new security surveillance center, staffing it with hundreds of foreign-trained personnel, a report says. The National Center for Joint Security Operations, based in Mecca Province, will monitor security via 18,000 surveillance cameras, which will be "linked to smart applications," the

Saudi Gazette daily reported on Sunday. It also said that 1,600 officers trained overseas and fluent in English will manage and operate the center, which will need 400 people on every shift.

Somalia

Al-Shabab attacks Ethiopia base (9 June, 2016)

The al-Qaeda-linked al-Shabab militants in Somalia have killed at least 43 soldiers in an attack on a base used by Ethiopian troops north of the capital, Mogadishu. The fatalities came early Thursday when the Takfiri group detonated a car bomb at the base for the African Union Mission in Somalia (AMISOM) in the town of Halgan, about 300 km north of Mogadishu. Local residents said they heard a huge explosion at the base and a heavy exchange of gunfire shortly before dawn.

Syria

Assad: West attacks us politically, deals with us secretly (30 June, 2016)

President Bashar al-Assad says Western countries follow a policy of double standards toward Syria, dealing secretly with his government while aiding militants to topple him at the same time. “They attack us politically and then they send officials to deal with us under the table, especially the security, including your (the Australian) government,” Assad told Australia’s SBS News in an interview to be aired on Friday. Western countries follow what the US is telling them to do, the president said in remarks that were carried by Syrian state media. “They don't want to upset the United States. Actually most of the western officials they only repeat what the United States want them to say. This is the reality,” President Assad said.

Tunisia

Ghannouchi re-elected as Tunisia's Ennahda party chief (23 May, 2016)

Rached Ghannouchi has been re-elected as the leader of Tunisia's Ennahda party by a landslide majority. According to local media, Ghannouchi received 800 votes - about 570 more votes than his nearest rival - during a three-day congress held by the party. Ghannouchi, 74, said his party is a “Tunisian movement that is evolving with... Tunisia and is part of its evolution.”

Turkey

Turkey and Russia to smooth ties (27 June, 2016)

Turkish deputy prime minister says his country and Russia have stepped up measures to normalize ties soured since last November. During a televised news conference in the capital Ankara on Monday, Numan Kurtulmus welcomed what he said was a decision to allow some Russian companies to employ Turkish nationals again. Russia's relations with Turkey strained in November 2015 after Turkey shot down a Russian Su-24M Fencer aircraft with two pilots aboard, claiming the fighter jet had repeatedly violated the Turkish airspace.

Yemen

New clashes in Yemen claim 55 lives (26 June, 2016)

Fresh clashes between Yemen's Houthi Ansarullah fighters and militants loyal to resigned president, Abd Rabbuh Mansur Hadi, have claimed dozens of lives from both sides. Security and health officials said Sunday that 55 people were killed and 70 more injured in two days of intense fighting in three provinces of Ta'izz, Bayda in the south, and Ma'rib in northern Yemen. The confrontations between the two sides have been the most intense clashes since Houthis and allies began talks with representatives of Hadi in Kuwait back in April. The talks were

preceded by a ceasefire brokered by the United Nations, but sporadic clashes have continued between the two sides. Saudi Arabia, which supports Hadi, has also continued its deadly air strikes against the Houthis despite repeated warning by the UN that the campaign could undermine the peace initiative.

Economy News

Algeria

Algeria seeks to draw on Iranian experience to diversify economy (18 May, 2016)

Minister of Industry and Mining Abdessalem Bouchouareb said Tuesday, in Tehran, that Algeria hopes to take advantage of the Iranian economic model to diversify its national economy and to free itself from dependence on hydrocarbons. Iran has important industrial potentials of which Algeria hopes to take advantage as part of bilateral partnership projects, said Bouchouareb during his visit to several factories in Tehran. Visiting a car assembly plant and another of gas turbine manufacturing, the minister welcomed the high level achieved by Iran in this field despite the imposed international embargo. Thanks to its industry, Iran was able to reduce its dependence on hydrocarbons to 40%, to reach 25% in 2017 according to the forecasts, he added, underlining that Algeria will try to take advantage of this country's experience to free itself from dependence on hydrocarbons.

Egypt

Renewed real estate property confidence forecast in Egypt (18 May, 2016)

Despite political and economic headwinds, Egypt's real estate sector remains strong, according to latest Cityscape report, with last year's announcement of the Cairo Capital City mega project and the completion of the new Suez Canal expansion. Ian Albert, regional director at Colliers International MENA, who put out the report, said: "sentiment in the Egyptian real estate market has remained cautiously optimistic and we are starting to see an improvement in the performance across all asset classes." Country head for JLL Egypt Ayman Sami

agreed, and said: “The current sentiment is not as positive as it was before, however, when it comes to real estate it is still holding good value and is still considered as a hedge against any economic instabilities.” JLL Egypt have observed mixed real estate sector performance, with some sectors being positively impacted and others less so.

Iraq

Lukoil in talks to raise Iraq investment, output (18 May, 2016)

Russia's Lukoil is continuing talks with the Iraqi government over increasing investment and oil output at its West Qurna-2 project there, the company's first vice president Ravil Maganov told reporters on Tuesday.

Jordan

PM highlights strong Jordanian-Iraqi ties (8 May, 2016)

Prime Minister Abdullah Abdullah Ensour on Monday, met with President of the Iraqi Business Council Majid Al Saadi and the accompanying delegation that included representatives of the Iraqi Lower House of Parliament and private sector associations and societies who are meeting in Amman to establish an Iraqi economic forum. At the meeting, which was attended by State Minister for Media Affairs Mohammad Momani, and State Minister for Political and Parliamentary Affairs Khaled Kalaldehy, Ensour highlighted the strong ties between Jordan and Iraq as well as Jordan's keenness to maintain strong relations with the neighboring country and not interfere in Arab countries' internal affairs.

Kuwait

‘KAMCO’ ranked first in Kuwait for managing issuances of fixed income instruments (6 May, 2016)

KAMCO Investment Company, a leading investment management company with more than USD 11 billion in assets under management, and winner of World finance “Best Investment Management Company in Kuwait 2015 Award”, was ranked among the top 15 international lead managers and book runners in GCC and MENA Bonds, and the first in Kuwait according to Bloomberg’s EMEA fixed income league tables for the first quarter of 2016. The rankings, based on actual funds raised during the first quarter of 2016, accounted for the total volume and market share of all transactions executed during the period.

Oman

Muscat-Sohar pipeline to reduce tanker truck traffic; transport costs (18 May, 2016)

A 290 kilometres-long pipeline between Muscat and Sohar for transporting refined petroleum products, which is expected to start operations by mid-2017, will substantially reduce the number of tanker trucks transporting fuel and its cost.

Palestine - Israel

Bank of Palestine launches representative office in Dubai (17 May, 2016)

Palestine’s biggest bank has set up its first overseas office in the Dubai International Financial Centre (DIFC), and has flagged further potential growth in the Gulf. The publicly-listed bank will offer financial, investment and advisory services to the Palestinian diaspora living in the Gulf region and beyond. In a

statement, the lender said it hoped the move would encourage Palestinians living abroad to reconnect with their home economy. “Our new office in the UAE will promote our banking services and serve as an economic bridge that connects 250,000 Palestinian expats in the UAE to their homeland,” said Hashim Shawa, Bank of Palestine’s chairman and general manager.

Qatar

Qatar Airways raises stake in BA-owner IAG to 15% (19 May, 2016)

Qatar Airways has raised its stake in British Airways-owner International Consolidated Airlines Group (IAG) to 15.01 percent and said it may consider acquiring more of the firm over time. In April, Qatar Airways' chief executive Akbar Al-Baker said the company had increased its stake to under 12 percent from 9.99 percent. Qatar Airways said in a statement it was happy with its investment in IAG, from a financial, commercial and strategic perspective and that the relationship had helped to deliver on its westbound strategy.

Saudi Arabia

Saudi Electricity starts up Jeddah South power plant (20 May, 2016)

The project will help meet growing electricity demand from the western region particularly for infrastructure projects in the holy cities of Mecca and Medina where large numbers of Muslim pilgrims spend the fasting month of Ramadan which starts in June this year. “After three-and-a-half years of continuous work; Saudi Electricity Co has successfully operated and linked the first steam unit to the electricity grid with a capacity of 660 MW,” SEC said in an emailed statement. When the SR11.9 billion (\$3.12 billion) project was announced in 2012, SEC said

it was using super critical boilers for the first time in the kingdom, allowing the plant to reach up to 40 percent efficiency in fuel consumption.

Syria

Iran Khodro Industrial Group to manufacture new cars in Syria (18 May, 2016)

Deputy CEO of Iran Khodro Industrial Group (IKCO) Saeed Tafazoli announced on Tuesday that IKCO intends to manufacture its new products at the Siamco plant in Syria as soon as possible, including its car models Soren, Runna, and Dena. In a statement, Tafazoli said that IKCO has recently delivered the first shipment of parts to Syria which was used to manufacture 100 Samand cars, and that the Group's priorities are manufacturing new models in Syria and sending a second shipment of cars as soon as possible, adding that the second shipment will be used to manufacture 90 cars.

UAE

UAE agency plans space education programme (25 March, 2015)

The UAE Space Agency is focussed on establishing specialist space education programmes by partnering with universities and institutions, both in the UAE and abroad, said Dr Khalifa Mohammed Al Romaithi, chairman of the UAE Space Agency. Providing a qualified and specialised workforce in the space sector is the most significant challenge for states developing a new space programmes, Dr Al Romaithi said during a panel discussion at the 14th International Conference on Space Operations. The event is taking place at the Daejeon Convention Centre in South Korea until May 20.



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