

Republic of the Philippines
Bangsamoro Autonomous Region in Muslim Mindanao
BANGSAMORO TRANSITION AUTHORITY
Cotabato City

Second Parliament
First Regular Session

Proposed Resolution No. 156

Bangsamoro Autonomous Region in Muslim Mindanao
Parliament
BILLS AND INDEX DIVISION
RECEIVED
Name: BAZAN, RAHMADHAN S. Signature: [Signature]
Date: JAN 19 2023 Time: 3:55 pm

Introduced by: **MP Abdullah E. Gayak, MP Romeo K. Sema & MP Eddie M. Alih**

A RESOLUTION REQUESTING THE BANGSAMORO TRANSITION AUTHORITY - PARLIAMENT FOR THE ESTABLISHMENT OF TAKAFUL OR ISLAMIC FINANCING INSURANCE IN EVERY COMMERCIAL BANKS AND OTHER LENDING COMPANIES WITHIN BANGSAMORO AUTONOMOUS REGION IN MUSLIM MINDANAO

WHEREAS, Article XIII Section 32 of R.A. No. 11054 otherwise known as the "Organic Law for the Bangsamoro Autonomous Region in Muslim Mindanao" (*OLBARMM for brevity*) states;

Section 32. Islamic Banking and Finance. - The Bangsamoro Government, the Bangko Sentral ng Pilipinas, the Department of Finance, and the National Commission on Muslim Filipinos shall jointly promote the development of an Islamic banking and finance system, to include, among others, the establishment of Shari'ah Supervisory Board and the promotion and development of Shari'ah-compliant financial institution. The Bangko Sentral ng Pilipinas shall determine the type of organizational structure to be created and its composition.

To facilitate the establishment of an Islamic banking and finance system, the Bangsamoro Government and the National Government shall review existing market environment policies, adopt measures to enhance the competitiveness of Islamic finance products, and ensure that Islamic financial players are not inhibited from introducing Islamic finance products. It shall further promote investor awareness and acceptance in order to build a broader customer and asset base.

The operation of Islamic banks, Shari'ah-compliant financial institutions and other institutions performing similar functions shall be subject to the power of supervision of the Bangko Sentral ng Pilipinas.

The Parliament shall enact laws that promote the growth of Islamic finance such as those that promote tax incentives and ensure tax neutrality of Islamic finance transactions in the Bangsamoro Autonomous Region.

WHEREAS, Takaful is a system based on mutual co-operation, responsibility, assurance, protection and assistance between groups of participants wherein members contribute money into a pool system to guarantee each other against loss or damage;

WHEREAS, Takaful is a growing global phenomenon, contributing positively and substantially to the world economy;

WHEREAS, individuals and businesses within the Bangsamoro Autonomous Region have no access to useful and affordable financial products and services that meet their needs - transactions, payments, savings credit and insurance - delivered in a responsible and sustainable way.

WHEREAS, the Takaful system does not differentiate color or creed; it is meant to benefit all participants, irrespective of their religious beliefs;

WHEREAS, Bangsamoro government will benefit from the said system because of its strong ethics of fairness, transparency, distribution of wealth leading to social goodness and environmentally friendly focus for generating economic activity;

WHEREAS, the said system discourages creating money from money and hence prohibits interest;

WHEREAS, as part of the exercise of moral governance, Takaful is one system the Bangsamoro government shall implement.

NOW THEREFORE, be it;

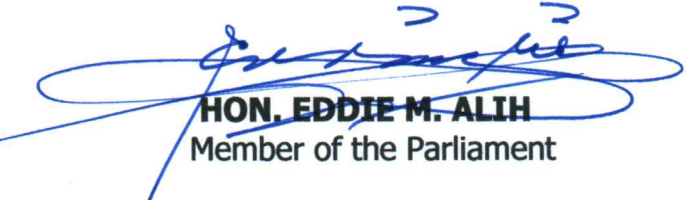
RESOLVED, AS IT IS HEREBY RESOLVED, by the Bangsamoro Transition Authority, to request the Bangsamoro Transition Authority - Parliament for the establishment of Takaful or Islamic Financing Insurance in every commercial bank and other lending companies within Bangsamoro Autonomous Region in Muslim Mindanao

Adopted, _____.

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