

# LEADERSHIP SCENE



## EXCLUSIVE INTERVIEW

Interview conducted by Ghada Khalafallah, Manager of Communication and Media, General Secretariat Office, AlBaraka Forum for Islamic Economy



Our presence in over 25 countries and three different continents through our banking participation network provides us that unique leverage, and a lot of our subsidiaries have been key players in their local markets, sometimes even among the first banks supporting local entrepreneurs.

### H.E. MR. MOHAMMED ALI ADDARRAT

Chairman of the management committee of Libyan Arab Bank

H.E. Mr. Addarrat focused on the transformation of cross-border banking, the expanding role of Islamic economic principles in global markets, and the strategic positioning of the Libyan Foreign Bank as a financial bridge between Africa, Europe, and the Middle East.

The presence of the Libyan Foreign Bank across these European countries has given us an advantage... we are able to operate on multiple markets, not only in markets that have trade relations with Libya, but across the African continent and into the Middle East as well.

### Question 1:

**The Libyan Foreign Bank operates across London, Spain, and Italy. What is the most notable shift you have observed in how European markets are engaging with more transparent, sustainable, and values-oriented financial models?**

Mr. Mohammed Ali Addarrat:

LFB's presence in the United Kingdom, Spain, and Italy has enabled the bank to operate across a wide range of markets. This reach extends beyond Libya's traditional trade partners and allows LFB to work actively across the African continent and the Middle East.

European markets are experiencing a notable shift that includes stronger institutional support to enhance governance, improve compliance structures, and better understand market specific requirements.

Banking activities have evolved significantly. Traditional services such as trade finance and bank guarantees have developed into far more sophisticated and diverse financial products. These products serve customers in Europe, the Middle East, and North Africa, and in some cases they are now accessible to clients who previously did not have these opportunities.

LFB's participation network in more than twenty five countries creates the ability to act as a true financial bridge between multiple regions.

This is where the need for FDI - foreign direct investment - into Libya puts us in the forefront as the financial gateway for a lot of partners that are looking to invest into Libya, as well as Libyan institutions that are looking to partner with international subject-matter experts and industry leaders to leverage their expertise and success.

### Question 2:

**As Libya works to rebuild its global economic presence, what cross-border financial opportunities do you see as most capable of creating real economic impact for the country?**

Mr. Mohammed Ali Addarrat:

Libya relies heavily on oil and gas revenues, yet the distribution of liquidity remains insufficient to meet the country's broad economic needs. As a result, foreign direct investment is essential for Libya's recovery and future development.

LFB plays a central role in this process. It serves as a gateway for international investors who are interested in entering the Libyan market, and it also supports Libyan institutions that seek long term partnerships with global experts.

Building financial credibility is a key priority. This requires the establishment of strong internal controls, transparent processes, improved oversight, and a consistent commitment to proper governance.

These steps help create confidence for both foreign investors and local institutions, and they support long term strategic partnerships that can improve economic outcomes and the quality of life for people in Libya.

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### Question 3:

**LFB occupies a strategic position between Europe, North Africa, and the Middle East. What unique competitive advantage does this geographic reach give you in today's rapidly changing financial environment?**

Mr. Mohammed Ali Addarrat:

LFB's broad presence across Africa, Europe, and the Middle East offers unique leverage and visibility into market changes. Many of the bank's subsidiaries have played important roles in their local markets for decades.

For example, LFB's bank in Uganda supported the growth of many entrepreneurs who still recognize the bank's early contributions to their success.

The bank's London based subsidiary, BACB, is one of the strongest trade finance institutions serving the African continent. Through this presence, LFB is able to connect different regions within Africa, including West, South, East, and North Africa, and support their trade flows.

Although this geographic reach provides significant advantages, it also brings regulatory challenges. Different markets enforce different rules and expectations. These challenges require continuous improvement in services and constant transformation across the network in order to meet global standards and evolving customer needs.

The summit - now in its fourth year in London - is the result of a long legacy started by the late Sheikh Saleh Kamel, and Islamic economic principles have proven not only to motivate doing the right thing but also to be economically successful.

### Question 4:

**As a platinum sponsor of the 4th AlBaraka Summit in London, what core message did you want investors, industry leaders, and policymakers to take away from your participation this year?**

Mr. Mohammed Ali Addarrat:

Participating as a platinum sponsor at the 4th AlBaraka Summit holds great significance for LFB. The summit represents the legacy initiated by the late Sheikh Saleh Kamel, whose vision laid the foundations for modern Islamic economic thought.

LFB believes strongly in the value of Islamic economic principles. These principles promote ethical practices, transparency, and stability, and they have proven to be economically successful across different markets.

LFB aims to take Islamic finance to the next level. This means transforming it from a limited niche into a global product offering that can help address many of today's economic challenges.

Although Libya's banking system is already Sharia compliant by law, there is a great need to upgrade its infrastructure, strengthen policies, and expand product offerings. LFB wants to ensure that Islamic finance in Libya becomes more competitive and capable of supporting development.

Investment opportunities for the Libyan people. That's the message we want to relay at this summit.

The volatility in the global economy is driving policies toward further controls and restrictions, but technology and enhancements in core banking systems and inter-bank communication allow for proper informed decision-making, and proactive, informed decisions are far better than reactive fines and restrictions.

#### Question 5:

**Working across different European regulatory systems gives LFB a unique vantage point. What single regulatory or supervisory improvement would most enhance the ability of cross-border banks to expand effectively?**

Mr. Mohammed Ali Addarrat:

This is a space where we, as banks, have very little control. You're always reactive to policies and regulatory decisions, and you have no choice but to abide by them.

However, the volatility in the global economy is driving policies toward further controls and restrictions, due to the appetite and need for improved oversight. But many times, this becomes counterproductive.

Technology and enhancements in core banking systems, as well as inter-bank communication and data visibility, allow proper informed decision-making. These need policies and regulation too, because if misused, they can cause harm. This is the challenge with artificial intelligence, and the moral discussion of how to use it. If platforms are not used properly, they create issues instead of solving existing challenges.

We try to put into practice the spirit of regulations, improve legislations and restrictions, and leverage our unique visibility into successful models in different countries to

replicate them elsewhere.

It's an ongoing process, continuous improvement through communication, visibility, and informing people. Proactive, informed decisions are far better than reactive fines and restrictions, which are costly and sometimes damaging.

Africa is one of the fastest-growing economies in the world... and while infrastructure does not always support the opportunities available, we believe we can play a major role in ensuring investments go into proper development and that private-sector investments build on that foundation.

#### Question 6:

**Looking ahead, how do you see the Libyan Foreign Bank strengthening its role as a financial connector between Africa and Europe amid ongoing global financial transformation?**

Mr. Mohammed Ali Addarrat:

Africa is one of the world's fastest growing regions, with enormous opportunities in both resources and emerging markets. Yet infrastructure challenges such as weak transportation networks and underdeveloped logistics remain major obstacles.

LFB's role is to help rebuild trust among institutions, investors, and financial partners, while supporting sovereign and private sector investments in critical infrastructure.

Libya's geographic position allows LFB to serve as a gateway to Africa and as a platform that can support manufacturing, energy, healthcare, and food supply chains.

Achieving meaningful impact requires establishing long term strategies and building strong foundations that will support the continent's economic growth.

Next year when we meet, we should not be talking about the same things we talked about this year, but measuring how much progress we've made and what we've learned so we can move forward.

**Question 7:**

**AlBaraka Forum for Islamic Economy brings regulators, financial institutions, and global industry leaders together in one dialogue, from your perspective, what value do such platforms provide to a cross-border bank like LFB operating in both Muslim and non-Muslim countries?**

Mr. Mohammed Ali Addarrat:

Platforms like the AlBaraka Summit provide essential value for cross border banks. They bring together regulators, financial institutions, and global industry leaders to exchange knowledge and explore emerging trends.

Topics discussed this year, such as ESG benchmarks, credit ratings, arbitration frameworks, and successful case studies from other regions, offer practical insights that institutions can apply in their own markets.

LFB considers these summits an annual opportunity to measure progress, identify lessons learned, and set forward looking plans that support continued growth.

Islamic economy has moved away from being a niche investment into a global product line that can impact the quality of life for people across the globe, for all humanity.

**Question 7:**

**How do you envision Islamic economy in the upcoming five years, especially for young minds and entrepreneurs?**

Mr. Mohammed Ali Addarrat:

Islamic finance has shown resilience, stability, and ethical strength during major global crises, including the financial crisis of the late two thousands and the COVID period.

It is no longer limited to religious motivations. It has evolved into a mainstream global investment platform that appeals to those seeking ethical and sustainable profits.

The next stage for the Islamic economy is its integration into the global economic system, where Islamic finance serves communities everywhere, regardless of their background.

LFB believes that offering Islamic financial products can add value to any national economy and support better quality of life for people across the world.

