LEADERSHIP SCENE

EXCLUSIVE INTERVIEW

Special interview with H.E. Dr. Alderman Vincent Keaveny CBE, Former Lord Mayor of the City of London, Senior Advisor, DLA Piper

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Question 1:

What really prompts policymakers in advanced markets to give serious consideration to values-based financial models?

Dr. Alderman Vincent Keaveny CBE:

Policymakers tend to be quite a pragmatic group of people. In advanced economies, one of the big challenges is how best to encourage people to save more money and invest more. They are actively looking at the levers they can pull to increase savings rates and to channel capital into productive parts of the economy. Coupled with that, if there are savers and investors who want values-based structures into which they can place their money, that in itself becomes a strong driver for policymakers to take these models seriously.

There is also a concern around risk. Policymakers want to ensure that the financial structures they approve are robust and that the risks are clearly identified and understood. Values-based models, including Islamic finance, can be attractive in that context because some risks may be mitigated or structured differently through asset-backing or risk-sharing. That alignment, I think, is something policymakers increasingly value.

That said, I suspect it is the case that many policymakers still tend to view values-based finance through a broader ESG lens, rather than fully appreciating the specific characteristics of Islamic finance. Forums like the recent AlBaraka Summit in London are critical here, as they help move the discussion beyond simple labels and encourage a more nuanced understanding of the ways and means by which these models can support long-term economic stability.

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Question 2:

For investors exploring alternative financial structures, what kind of regulatory clarity makes the biggest difference?

Dr. Alderman Vincent Keaveny CBE:

For investors, the key issue is always certainty. As with any financial product, they want to understand the risks involved and how those risks are regulated. With alternative or unfamiliar structures, that clarity becomes even more important. Investors need to know how these products compare with traditional instruments, where the risks differ, and where they may actually be reduced.

In Islamic finance in particular, there is an additional layer. Many investors are looking for confidence that a product genuinely meets the criteria it claims to meet. They want assurance that the structure they are working with and within is compliant, not just in name but in actual substance. That is where having a clear regulatory framework and complete transparency around issues such as governance helps provide that reassurance.

There is also, I think, a real education gap. Investors need to see more practical examples of how these structures work in the real world, such as finance flowing into housing, infrastructure or impact-led projects. Once you have these, coupled with the right regulatory environment, it becomes much easier for investors to engage with confidence rather than hesitation.

> London, in particular, is very well placed. We are a global centre for clearing and settlement.

Question 3:
Across market systems - clearing, settlement, and investment platforms - what institutional adjustments could support wider adoption of these models?

Dr. Alderman Vincent Keaveny CBE:

A lot of the challenge sits in the underlying financial infrastructure. Many clearing and settlement systems have been designed around conventional, interest-based products, and they have not yet fully worked out how to accommodate Islamic or values-based structures. In many cases, it is not a question of wholesale change, but of practical adjustments to existing processes.

In parts of the world, particularly outside the West, financial infrastructure providers are already thinking more actively about how to support these models. In the UK and Europe, we are probably some way behind that curve. That does present a challenge, but it also presents an opportunity.

London, in particular, is very well placed. We are a global centre for clearing and settlement, and if we can adapt our platforms to better accommodate Islamic finance, we can enhance our position as a global financial hub. This is not just about inclusion; it is about ensuring our infrastructure evolves in line with how global finance itself is evolving.

> People from all over the world choose English law to govern their contracts and come to London to resolve disputes.

Question 4:
London's legal and arbitration ecosystem is globally influential. How can this be used to bring greater alignment across different financial standards?

Dr. Alderman Vincent Keaveny CBE:

One of London's great strengths is the international nature of its legal and disputes ecosystem. People from all over the world choose English law to govern their contracts and come to London to resolve disputes. That gives us a unique platform to support alignment across different financial standards and help structure innovative transactions that work across borders. That experience is directly relevant to Islamic finance and other values-based models.

Arbitration is also critical. It allows parties to resolve disputes in a neutral forum that can accommodate different legal and cultural expectations. London's arbitration and dispute resolution expertise is genuinely world-leading, and it gives international investors confidence. Used properly, it can help bridge differences without imposing a single uniform approach.

Question 5:
With financial markets becoming increasingly interconnected, is there a realistic path toward harmonisation, or will fragmentation remain the norm?

Dr. Alderman Vincent Keaveny CBE:

I think we all accept that some degree of fragmentation is inevitable. One of the fundamental challenges with any values-based finance is how values themselves are defined. In Islamic finance, for example, different scholars and jurisdictions can take different views on the same structure. That makes full global harmonisation very difficult.

That said, partial harmonisation is possible. You can bring jurisdictions and markets closer together where there is sufficient common ground. Shared standards, greater transparency and better communication can help reduce friction, even if complete uniformity remains unrealistic.

The world is becoming more fragmented in many respects, not less. But that does not mean a worthwhile goal is not still worth pursuing. Overall though, I think the aim should be alignment where possible, rather than trying to achieve perfection.

> Values-driven finance can play an important role here. Whether it is Islamic finance or impact investment more broadly.

Question 6:

Which forward-looking policy move could accelerate the growth of values-driven finance globally?

Dr. Alderman Vincent Keaveny CBE:

A: One of the biggest challenges that we face in the UK, and indeed in many advanced economies, is the reality that people simply are not saving enough. In the UK, for example, the old assumptions that individuals could rely on the state, or ever-rising property prices, are proving less robust than they once were. Policymakers have a constant headache to unlock new ways to encourage people to save and invest.

Values-driven finance can play an important role here. Whether it is Islamic finance or impact investment more broadly, these models can attract investors who want their money to reflect their values as well as generate returns. That is particularly relevant for younger investors.

I think the key, from a policy point of view, is to treat any values-based finance as a core part of your financial ecosystem, not just as a niche. In practice, that means creating supportive regulatory frameworks, better education and actively creating momentum to push the agenda forward.

> What makes forums like the AlBaraka Summit particularly valuable is the focus on real-world experience.

Question 7:

How useful are multi-stakeholder forums like the AlBaraka Summit in identifying legal adjustments needed for values-based finance to scale?

Dr. Alderman Vincent Keaveny CBE:

They are extremely important. You need to bring people into the room who are working on these issues from different angles - regulators, lawyers, scholars and market participants. That is how you identify what is working, what is not, and where change is genuinely needed.

What makes forums like the AlBaraka Summit particularly valuable is the focus on real-world experience. Sharing challenges about what is happening in different jurisdictions is the best way to clarify what is achievable and what common barriers remain. It also creates a sense of forward motion, reminding people that they are not working in isolation - and that is important if values-based finance is to continue scaling globally.