

The Rt Hon David Cameron, Prime Minister of United Kingdom

CHECK AGAINST DELIVERY

It's great to welcome you all.

We've got 1800 political and business leaders from over 115 countries here in London - the most open and inclusive capital on the planet – and the greatest centre for Islamic finance in the Western world.

It's a particular pleasure to welcome so many long-standing friends of Britain, especially my co-host Prime Minister Najib of Malaysia.

Prime Minister Najib is a newly re-elected leader whose pioneering Global Movement of Moderates is uniting and inspiring people across the world in the fight against extremism and whose commitment to business with Britain is delivering millions of pounds of new investment and hundreds of new jobs here and in Malaysia.

This is the first time that the World Islamic Economic Forum has ever been held outside the Islamic World.

And it is absolutely right that you have chosen to come to London.

This great city is the financial capital of the world, a city whose global reputation has been built on long-standing virtues of openness and innovation.

From the Huguenots in the 16th century - to Lloyds of London, the world's first insurance market for trading in the 17th Century, from the first international trading companies owned by shareholders in the 18th century - to the development of global foreign equities trading, time and again, London has led the way.

Time and again London has adapted and evolved first to welcome new investment and provide new ways of doing business.

And we're still at it now.

From the first Renminbi bond issued outside China, to the world's first Social Stock Exchange – giving socially minded investors a way of measuring not just the financial returns on their investments – but the social returns too.

But this isn't all just about London.

When I talk about the City of London I also mean the 20,000 jobs in financial services in Bristol and in Glasgow

the 25,000 jobs in each of Leeds, Manchester and Birmingham

and the almost 35,000 jobs in Edinburgh.

Already London is the biggest centre for Islamic finance outside the Islamic world.

But today our ambition is to go further still.

Because I don't just want London to be a great capital of Islamic finance in the Western world...

I want London to stand alongside Dubai and Kuala Lumpur as one of the great capitals of Islamic Finance anywhere in the World.

Now I know that words and ambitions are all well and good.

But what we need is the leadership to make that a reality.

The political will to make things happen.

So at this Conference, you will see the scale and breadth of our commitment.

From Sayeeda in the Foreign office to Sajid in Treasury

from BIS to Boris,

from energy to international development,

every department and every member of my team that can help, absolutely focused on opening our country to the power of Islamic Finance.

Because my argument today is very simple.

Investing in London is good for you

and opening London up to your investment is good for us.

Let me explain why, and then let me tell you about a few of the things we are doing to realise this vision for London as one of the great Islamic finance centres of the world.

First, investing here is good for you.

Let's start with some of the UK's natural advantages.

We've got a time zone where you can trade with Asia in the morning and America in the afternoon.

We've got English, the global language of business,

we've got world famous universities,

a long-standing commitment to openness and free trade,

and generations of expertise in finance, construction and manufacturing.

Here you will be able to engage the best lawyers, accountants, banks and consultants in the world.

Then consider some of the specific actions this government is taking to build on these strengths.

We want to make Britain the best place in Europe to start, finance or grow a business.

So we are cutting corporation tax to 20 per cent, the lowest in the G7.

We're cutting the time it takes to start a new business.

And we have introduced a one-in, two-out rule for new regulation

so, yes, if we need a new regulation that affects business, we'll get rid of two others in return.

All told, we're saving businesses £1 billion by slashing red tape.

And it's paying off.

Ernst and Young now say Britain is the best place in the world for new entrepreneurs.

Today the World Bank has recognised that we have improved access to credit,

improved protection for investors,

simplified the tax burden and made it easier and faster to register property.

And I've set up a special team dedicated to ensuring that we will address areas where we can do better.

We are investing in new infrastructure – including the massive Crossrail scheme,

the biggest construction project in Europe, tunnelling right under where we are today.

We are backing the sectors of the future - from advanced manufacturing and biotechnology to pharmaceuticals and financial technologies.

And we are already taking big steps to open up the City of London to more Islamic finance.

Today we have more banks compliant with the principles of Islamic finance than any other Western country.

We have over 25 law firms supplying services in Islamic Finance

and 16 universities or business schools offering MBAs or similar qualifications in Islamic Finance,

including the new programme for senior executives announced by Cambridge University last week.

No-where else in the world offers the same depth and breadth of

education and qualifications in Islamic Finance.

We have already removed the double tax on Islamic mortgages.

and extended tax relief on Islamic mortgages to companies as well as individuals,

and just last week we made new commitments to open up new forms of student loans and business start-up loans for Islamic students and entrepreneurs.

Let me be clear what this means.

Never again should a Muslim in Britain feel unable to go to university because they cannot get a Student Loan – simply because of their religion.

Never again should a Muslim in Britain feel unable to go to start a business because they cannot get a Start-up Loan – simply because of their religion.

The message is simple:

Britain is a country ready to welcome your investment,

a country that values your friendship,

and a country which will never exclude anyone because of their race, religion, colour or creed.

But if investing in London is good for you,

then opening up London to your investment is just as vital for our own success here in Britain.

I know there are some who would ask why I should be so focused on this.

Yes, I know there are some countries that take a different approach.

There are some countries whose instincts sometimes incline towards pulling up the drawbridge.

But if they do so, they fail to recognise that the way the world is

changing affects their future success.

Britain will not make that mistake.

We know we are in a global race for our economic future,

so we are backing our businesses, seeking new markets and banging the drum for Britain to show we are a first class destination for trade and investment.

When Islamic finance is growing 50 per cent faster than traditional banking

and when global Islamic investments are set to grow to £1.3 trillion by 2014

we want to make sure a big proportion of that new investment is made here in Britain.

I know some people look at foreign companies investing in our businesses, financing our infrastructure or taking over our football clubs

and ask – shouldn't we do something to stop it?

Well, let me tell you, the answer is “no.”

One of Britain's unique selling points is its openness

and this openness is a vital part of how we ensure our country is a great success story in the global race.

Foreign investment creates wealth, jobs and growth.

And far from weakening our industrial base, that investment actually strengthens it

Islamic investment is already fundamental to our success.

We are proud that DP World are building one of Europe's biggest ports – the London Gateway - right here in the Thames

We are proud that Qatari investment is constructing the tallest building in Europe – the Shard, right here in the City of London.

We are proud that Emirates invested in a new stadium for Arsenal and Etihad have invested in Manchester City.

And we are proud of Malaysia's £400 million investment in Battersea Power Station

and Masdar's 20 per cent investment in London Array Offshore Wind.

We welcome the fact that Thames Water, Barclays, Sainsburys, Harrods and the Olympic Village are all financed in part by Islamic investors.

And we welcome the fact that Qatari Diar's investment in Chelsea Barracks represents the largest Islamic finance deal anywhere in Europe in history

and that work is commencing on the site in November.

But we're not going to sit here and rest on our laurels.

We know there is much more to do for London to reach its full potential as a great world centre of Islamic finance.

Over the course of this conference you will hear in detail about all the new steps we are taking.

But let me just briefly highlight three.

First, for years people have been talking about creating an Islamic bond – or sukuk – outside the Islamic world.

But it's just never quite happened.

Changing that is a question of pragmatism and political will.

And here in Britain we've got both.

This Government wants Britain to become the first sovereign outside the Islamic world to issue an Islamic bond.

So the Treasury is working on the practicalities of issuing a bond-like sukuk worth around £200 million

and we very much welcome the involvement of industry in developing this initiative which we hope to launch as early as next year.

Second, the growth of Islamic finance means that there is an increasing demand for new ways of identifying Islamic compliant business activities. Again the City of London is leading the way – this time not just in Europe, but right across the world. Today the London Stock Exchange Group is announcing the creation of new indices.

These not only identify companies that meet traditional Islamic investment principles but also use some of the most advanced techniques on the planet to screen financial ratios and enable investors to identify opportunities with lower volatility. For example, by ensuring that debt and cash fall within strict limits as a proportion of a company's total assets. In plain language, this means the creation of a new way of identifying Islamic finance opportunities - a world-leading Islamic Market Index.

It is another global first for the City of London and yet another reason why London can be one of the great centres of Islamic finance anywhere in the world.

Third, Britain is today taking new steps to support new businesses to grow across the Islamic world.

The UK government is partnering with the Shell Foundation to create a new £4.5 million grant to boost the work of the Nomou initiative, a growth fund that provides skills and finance to small businesses across the Middle East and the Gulf.

This fund is open to investors who are looking for both a financial and a social return on their money.

And we welcome private investors, companies and governments from across the Islamic world joining us in this exciting new venture.

Those are just three of the ways in which we are taking bold new steps to make London one of the greatest centres for Islamic finance anywhere in the world.

During this conference there will be new support for Islamic entrepreneurs,

new connections with British businesses in sectors key to your success,

new opportunities to study Islamic finance – including through ten new Chevening Scholarships for Islamic finance in 2014-15

and new support for Arab women in business, working together with the Islamic Development Bank.

And over the coming years, I hope we will see billions of pounds of new investments in a range of sectors where the UK excels - from property and housing to aerospace and life sciences

New investments in London that are right for you.

New investments in London that are right for us.

And above all new investments that are possible because of the unique openness of the City of London

and because of our commitment to help London lead the way in Islamic finance across the world,

just as it has led the way in global finance across the ages.