



“Among His signs is this: you see the earth dry and barren, but when We send down on it water, it stirs and swells: most surely He who gives it life is the giver of life to the dead; surely He has power over all things.”

[Al-Qur'an, Fussilat: 39]

Inside This Issue

❖ Crypto & Mal: Part 4 – Dr. Farrukh Habib	1
❖ Blue Sukuk- Naufil Shahrukh	4
❖ Rethinking Modern Money – Azah Atikah	7
❖ Social Protection Report – M. Hammad	9
❖ Book Review: Qur'anic Worldview	12
❖ Research Paper in Focus	14
❖ Reflections	17
❖ Market News	19
❖ Economic & Market Indicators	21
❖ Call for Papers	30



Allah's Messenger (pbuh) said, “Whoever believes in Allah and the Last Day, should serve his guest generously. The guest's reward is: To provide him with a superior type of food for a night and a day and a guest is to be entertained with food for three days, and whatever is offered beyond that, is regarded as something given in charity. And it is not lawful for a guest to stay with his host for such a long period so as to put him in a critical position”

[Sahih Al-Bukhari: 6135]

“For surely it is not the eyes that are blind, but blinded are the hearts which are in the breasts.”

Abu Hamid al-Ghazali

**Is a Crypto Asset Mal? Two Schools, One Answer - Part 4
Comparing the Jumhur (Majority) and Hanafi Views**

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The short answer: The Jumhur (majority) and Hanafi schools disagree on how to describe a non-halal crypto asset, but they agree on the treatment of an impermissible

crypto. Under both frameworks, a crypto asset built on a haram source of value cannot be bought, sold, or used for any purpose. The disagreement is about

labelling, not outcome. From here, this series adopts the Hanafi framework for its remaining parts, for reasons given in Section E.

A. What This Paper Does

This paper does not re-argue either view. Part 2 showed that crypto assets, in general, are mal under the Maliki, Shafi'i, and Hanbali schools, referred to together as the Jumhur. [1] Part 3 showed the same conclusion under the Hanafi school, reached through a different structure. [2] This paper places the two findings side by side and asks one question: does the difference in structure change anything in practice?

As a quick recap, the Jumhur include permissibility of benefit directly into the definition of mal, so asking whether something is mal already includes asking whether it is lawful (halal). The Hanafi school splits this into two separate steps instead. First, is it mal at all using it as a general term. Second, is it a valid or valuable asset in Shari'ah (mal mutaqawwam).

B. Difference One: Where the Halal Test Sits

Take a crypto asset whose value comes directly from something haram, a casino's revenue or wine sales, for example. [3] Under the Jumhur view, this token is not mal at all, since lawful benefit is part of the definition itself, and an unlawful benefit means the definition is never met. Under the Hanafi view, the same token is mal. It exists, it is owned, it is exchanged. But it is an invalid asset (mal ghayr mutaqawwam), the same category wine itself falls into. [4]

The label is different. The outcome is not. Jumhur says this was never property to begin with. Hanafis say this is property, but impermissible, the Shari'ah refuses to let you trade.

C. Difference Two: Are Usufructs and Rights Mal on Their Own?

A second difference is more structural, and it is where a real gap can open up. The Jumhur treat usufructs and rights (intangible assets) as mal outright, once their benefit is halal. [1] The Hanafi school treats usufructs and rights as not mal by default. They can still be traded, but only once they clear five conditions set out by Mufti Taqi Usmani. [5] The right must exist now, not merely be anticipated in the future. It must belong to its holder as an original entitlement, not merely to prevent harm. It must be transferable. It must be clearly defined, free of excessive uncertainty (gharar) and ignorance (jahalah). And custom (conventional practice) of people must treat it the way it treats ordinary property.

In most cases, this difference does not change the outcome. The five conditions largely test for what every school already cares about: does the right actually exist, is it well defined, is its benefit halal. Take an ordinary example: a registered trademark, sold with the buyer's identity and use clearly agreed. It exists now, it can pass from seller to buyer, it is precisely defined, and traders customarily treat it as valuable. Every condition is satisfied without strain, and both the Jumhur and Hanafi schools would call it mal. What fails one school's test usually fails the other's too, under a different name.

One genuine edge case is worth naming. Consider a governance token that grants

only a protective power, an emergency-pause right meant purely to prevent harm to a protocol, with no independent value of its own. Under the Hanafi framework, a right that exists only to ward off harm, rather than as an original entitlement, may not be tradable as mal. Jumhur, without that specific condition, might still classify the same right as mal if it is halal, defined, and customarily valued. This is a real point where the two frameworks could diverge in outcome, not just in language.

D. Where They Land Together

Outside such edge cases, the two frameworks converge cleanly. A halal crypto asset that exists, is controlled, is clearly defined, and is customarily treated as valuable is mal under both the Jumhur and Hanafi views. In practice, this describes most of what the crypto market actually trades: units held in a wallet, and rights or claims recorded against a specific counterparty, each already tested in Part 3 and found to satisfy both frameworks' requirements. This covers the large majority of what this series will go on to classify.

E. The Series' Choice Going Forward

From here, this series works within the Hanafi framework, for two reasons.

First, the Hanafi two-step structure, mal, then valid or invalid mal division, keeps two different questions properly separate: is this wealth, and is this wealth halal. That separation makes the remaining classification work in this series cleaner, since a crypto asset's existence and its permissibility can be judged one at a time rather than in a single combined step.

Second, the Hanafi conditions for trading rights and usufructs are the stricter path. Because they add requirements the Jumhur may not impose explicitly, an asset that clears the Hanafi bar may easily clear the Jumhur bar too. Working within the stricter framework means this series' conclusions hold up under both schools.

F. Scope and What Comes Next

This paper draws no conclusion about any specific coin, token, or platform. It only compares two frameworks and shows where they agree, and where they might not. The next part turns to Shari'ah classification, sorting crypto assets into the categories from the fiqh perspective. The rest of this series will use the same classification, built on the Hanafi foundation now in place.

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- [1] Fiqh of Cryptos, Part 2: Are Crypto Assets Property (Mal)? The Majority View
- [2] Fiqh of Cryptos, Part 3: Is a Crypto Asset Mal? The Hanafi View
- [3] As discussed in Part 2, Section 6
- [4] Hashiyat Ibn Abidin (Radd al-Muhtar), vol. 4, p. 501
- [5] Majallat Majma al-Fiqh al-Islami, vol. 5, p. 1935.

Islamic Finance and Blue Sukuk Can Unlock Pakistan's Maritime Century: Financing the Blue Frontier

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Pakistan's relationship with the sea has always been one of historical continuity and modern neglect. From the Indus Valley ports that linked the subcontinent to Mesopotamia and the Persian Gulf, through the medieval trading networks of the Arabian Sea, to the strategic significance of Gwadar and Karachi in the contemporary Indo-Pacific, our maritime geography has shaped commerce, culture and connectivity.

For decades, we have suffered from what many of us in the maritime research community have termed "sea blindness," a collective failure to treat the ocean as a living economic and strategic asset rather than a distant backdrop.

Globally, this mind-set has already shifted. The world's ocean economy, or "Blue Economy," is estimated to generate over \$2.6 trillion to \$3 trillion annually in gross value added, with over 3 billion people relying on oceans for their primary source of livelihoods [1].

International capital markets are increasingly prioritizing ocean health. According to the World Bank, the blue bond and blue Sukuk market has expanded exponentially, with global issuances surpassing billions of dollars to fund conservation, sustainable aquaculture, offshore renewable energy and green port infrastructure [2].

That blindness in Pakistan is finally beginning to lift. The Ministry of Maritime Affairs' Maritime @100 vision, aiming to transform the economy into a \$100 billion

contributor by 2047, and the National Fisheries and Aquaculture Policy 2025-2035 represent important steps [3].

The current national contribution of \$1 billion, or 0.4-0.5 per cent of GDP, stands in stark contrast to Pakistan's vast unmapped potential. With an Exclusive Economic Zone (EEZ) and extended shelf spanning over 290,000 square kilometres, and a coastline exceeding 1,000 kilometres, the contrast between our actual contribution and potential in shipping, sustainable fisheries, green ports, coastal protection, ship recycling and ocean-based renewables could not be sharper [4].

The question is no longer whether the opportunity exists, but how we finance the infrastructure required to seize it without repeating the patterns of extractive development that have historically marginalized coastal communities.

Islamic Finance and the Blue Sukuk Opportunity

Here, Islamic finance and blue Sukuk structured in accordance with AAOIFI standards offer a particularly fitting instrument.

Sukuk are not merely Shari'ah bonds; when properly structured, they represent undivided ownership in real assets or projects, linking capital directly to tangible economic activity [5].

Blue Sukuk channel that capital towards ocean and coastal projects that deliver

measurable environmental and social outcomes, including:

- Sustainable aquaculture and fisheries
- Mangrove restoration
- Climate resilient coastal infrastructure
- Cleaner ports and vessels
- Renewable-powered desalination

Global Proof of Concept

Proof of concept already exists globally. In 2018, the Seychelles launched the world's first sovereign blue bond, with World Bank support, to transition its commercial fisheries into sustainable management models [6].

Following suit, sovereign and corporate pioneers such as Indonesia and Malaysia have demonstrated how Shari'ah-compliant debt capital can be directed towards marine preservation, wastewater treatment and climate-resilient water infrastructure. Malaysia, for example, launched the RM200 million Air Selangor Blue Sukuk [7].

Today, global ESG Sukuk issuances are worth more than \$50 billion in outstanding value. This shows that both international and domestic ethical investors are ready to support projects that protect the ocean.

Pakistan's Readiness

Pakistan already has the institutions needed to follow this trend. The Sustainable Financing Framework 2025 clearly includes blue financing tools such as Sukuk, alongside social financing instruments [8].

The areas that can be funded match what the Ministry of Maritime Affairs is focusing on: certified sustainable fisheries, restoring marine ecosystems, sustainable maritime transport and ports, and coastal adaptation projects.

The Green Sukuk issued in May 2025 was oversubscribed more than five times. That success demonstrated that local investors are interested and that the Debt Management Office and Pakistan Domestic Sukuk Company Limited can handle the process [9].

Creating a Blue Sukuk, or a blue-labelled Sukuk, is therefore a logical next step.

Structuring a Blue Sukuk

To build such a Sukuk, we must follow AAOIFI principles, including Shari'ah Standard No. 17 on Investment Sukuk and the new Draft Standard 62, which stress real ownership and sharing of risks [10].

Common structures for projects include:

Ijarah: Selling and leasing back existing port or ship assets.

Istisna' combined with Ijarah: For building ships or port infrastructure.

Hybrid Wakalah: For portfolios that manage investments.

The assets behind the Sukuk must comply with Shari'ah rules and deliver clear benefits for the ocean. The money raised must be tracked, used properly and reported according to both AAOIFI rules and the ICMA Blue Finance Principles.

A strong fatwa from a Shari'ah board and an independent Second-Party Opinion (SPO) will help build trust among non-Islamic ESG investors.

Projects Ready for Financing

For Pakistan, the local projects are real and ready to go.

1. Green Renewable Logistics

Funding solar panels and electric equipment at Karachi Port Trust and Port Qasim. This can cut carbon emissions and modernize operations.

2. National Fleet: Hybrid Maritime Transport

Issuing *Istisna'-Ijarah Blue Sukuk* to acquire energy-efficient, dual-fuel ships for the Pakistan National Shipping Corporation. This can help secure the country's shipping needs.

3. Value Aquaculture & Cold-Chain Logistics

Financing eco-friendly shrimp farms and off-grid solar cold-storage units in places such as Pasni, Ormara and Gwadar. This would also involve upgrading harbour processing facilities to improve Pakistan's seafood exports.

4. Green Ship Recycling & Repair Yards

Transforming Gadani's ship-breaking industry into a certified green recycling yard that meets the requirements of the Hong Kong International Convention.

5. Nature-Based Coastal Adaptation

Funding blue-carbon projects, such as restoring Pakistan's mangrove forests in the Indus Delta. This can create carbon credits and generate returns on investment.

Putting Coastal Communities at the Centre

Money alone will not be enough. We have seen history show that maritime prosperity always comes from coastal communities. A Blue *Sukuk* program must therefore bring community development into the mix.

It should provide technical skills training, protect the livelihoods of artisanal fishers and allow coastal communities to genuinely participate in designing the projects.

We must not treat communities as mere observers. The same moral principles that guide Islamic finance i.e. equity, stewardship of resources and avoiding harm, fit naturally with this inclusive approach.

The Way Ahead

The way ahead is clear and doable. The Ministry of Maritime Affairs must work closely with the Ministry of Finance, the State Bank of Pakistan and the Securities and Exchange Commission of Pakistan to identify a pipeline of blue projects that fit within the Sustainable Financing Framework.

The first goal should be to launch a "Pilot Blue *Sukuk* issuance", building on the successful 2025 Green *Sukuk*.

After that, Pakistan can build a track record of operations and look towards cross-border, foreign-currency Blue *Sukuk* offerings for international Islamic and ESG funds.

We must also strengthen project preparation, impact measurement and coordination across provinces.

The Imperative to Act

Pakistan sits at a turning point in history. The ocean that once carried our ancestors' trade now shows a path to sustainable prosperity, climate protection and stronger regional links.

By combining the principles of AAOIFI Islamic finance with a firm commitment to the Blue Economy, we can finally replace

our old blindness to the sea with a lasting maritime vision.

As established in the global market, the local assets are ready, and the rules are in place in Pakistan as well.

What is required now is executive leadership. The Ministry of Maritime Affairs and the Ministry of Finance must move from making policy to rapidly developing and executing capital-market projects.

Let Pakistan issue its Sovereign Blue *Sukuk*; not just as a test, but as the cornerstone of our maritime future.

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Rethinking Modern Money

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The 19th Muzakarah of Nusantara Shari'ah Scholars (INCEIF-ISRA), held in Bangkok, Thailand on 16th July 2025, brought together Shari'ah scholars and advisors, Islamic finance practitioners, regulators, legal practitioners, academics and researchers to deliberate on contemporary issues affecting the Islamic financial system. Among the most noteworthy

developments was the dedicated attention given to modern money and the mechanism of money creation. This reflects an important shift in scholarly discourse, signalling that contemporary Shari'ah scholars are increasingly recognising the need to examine not only Islamic financial products but also the monetary system within which those products operate.

The most significant implication of the Muzakarah is that it also marks the emergence of Islamic monetary economics as a more prominent area of scholarly research. Scholars are increasingly engaging with these issues in greater depth, moving beyond a surface-level consideration to examine their underlying assumptions, institutional structures and ethical consequences. For many years, Islamic finance research focused primarily on ensuring that financial contracts, banking products and capital market instruments complied with Shari'ah principles. While these efforts have significantly advanced the industry, comparatively, less attention has been devoted to the nature of money and the process by which it is created.

The inclusion of dedicated sessions during the Muzakarah on ***The Concept of Modern Money in the Financial System and How It Relates to Money Creation*** as well as ***Preliminary Shari'ah Review on the Concept and Operation of Modern Money*** demonstrates that scholars now consider these issues worthy of independent and systematic examination. The discussions also indicate a shift from limiting the debate to the classical question of whether paper currency assumes the legal status of gold and silver. While this remains an important juristic issue, the contemporary monetary system presents a much broader set of questions.

Today's money is predominantly created through commercial bank lending under the fiat monetary system. This is contrary to the common assumption that banks lend from existing deposits. When commercial bank lending creates new deposits, loans do not necessarily come from a pre-existing pool of money; rather, the act of lending itself creates new deposit money. The

creation of money through bank lending is therefore not simply constrained by the availability of existing reserves but is influenced by the demand for credit.

This makes the relationship between money, debt and financial institutions involved central to Shari'ah evaluation. A proper evaluation of modern money thus requires knowledge of how money is created, how monetary expansion affects wealth distribution and financial stability, and how these mechanisms relate to the higher objectives (*maqāṣid*) of the Sharī'ah, particularly the preservation of wealth (*ḥifz al-māl*) and the preservation of intellect (*ḥifz al- 'aql*).

As Islamic finance continues to mature, future research is likely to move beyond the Shari'ah compliance of financial products towards a more comprehensive examination of the monetary system itself. This development arising from the Muzakarah may encourage renewed *ijtihad* on issues such as money creation, monetary authority, financial stability and the role of money in achieving the objectives of the Sharī'ah. This 19th Muzakarah therefore serves as an important milestone, demonstrating that modern money deserves significant Shari'ah scholarship and intellectual attention.

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Key Highlights of World Social Protection Report 2024-26

Review by Muhammad Hammad

Universal Social Protection: Essential for Life-Cycle and Climate Resilience

As the world faces the escalating climate crisis, social protection is increasingly recognized as essential for both climate mitigation/adaptation and a just transition. The report argues that strong, universal social protection systems must deliver a dual purpose: protecting people from ordinary life-cycle risks – childhood, unemployment, illness, old age – and supporting climate action. With the planet already 1.1°C warmer and risks of tipping points beyond 2°C, climate change is now the biggest threat to poverty reduction, decent work and social justice.

The paradox is that the most vulnerable populations who contributed least to emissions suffer the most, with climate change projected to push an additional 132 million people into extreme poverty by 2030 without action.

Social protection is indispensable for three reasons: 1) as an adaptation strategy – providing income security and healthcare to help people cope with extreme weather, slow-onset changes, and loss and damage; 2) as a buffer for mitigation policies – supporting workers and households adversely affected by green transitions and rising prices, and enabling reskilling for green jobs; and 3) as a mechanism for equity – reducing inequality through risk-sharing and solidarity, both within and between countries.

However, without universal, adequate, and adaptive social protection, climate ambitions will fail and risk triggering negative social tipping points – displacement, polarization, and unrest. The report, based on the ILO World Social Protection Database and Social Security Inquiry, monitors global coverage, adequacy, and financing gaps, and finds that progress toward SDG target 1.3 requires stronger national data systems. With only six years to 2030, it calls for placing universal social protection at the heart of climate plans, NDCs, and national adaptation plans to ensure climate action is resilient, inclusive, and leaves no one behind.

Social Protection for a Just Climate Transition

Balancing enterprise continuity and wider societal support is critical in climate shocks. Social protection can help firms avoid layoffs through contribution freezes, furlough and short-time work schemes – widely used during COVID-19 – but equity matters where large populations are affected, not just workers.

For climate-induced forced displacement, which reached 108.4 million people in 2022 and is worsened by slow-onset events like sea-level rise and drought, displaced people face legal exclusion, remote locations, and lack of documents, often ending in vulnerable informal work. Integrating them into national systems, rather than parallel humanitarian systems, avoids undermining social cohesion and

bridges humanitarian-development divides.

Beyond immediate coping, social protection builds long-term adaptive capacity. Benefits enable productive investments, livelihood diversification, and human development — e.g., child benefits supporting education, or pensions supporting agricultural assets in Bangladesh and Zambia — but income alone can cause maladaptation without complementary services like drought-resistant seeds, agricultural extension, or training for sustainable farming and fishing.

The literature argues for transformative, not just incremental, adaptation: rights-based universal systems rather than narrowly poverty-targeted safety nets, which often have high exclusion errors and fail to cover the 3.3-3.6 billion people vulnerable to climate change, including urban migrants in informal settlements. Universal coverage also strengthens health security, as COVID-19 showed that countries with high prior coverage and sickness benefits responded more effectively.

Social protection also enables climate mitigation and a just transition. For fossil fuel subsidy reform and carbon pricing — which could cut emissions 43% below baseline and raise 3.6% of global GDP — recycling revenues through social protection prevents poverty spikes and builds public acceptance; Morocco expanded child benefits and health insurance after subsidy removal, while Ecuador's reform failed when compensation was delayed.

For workers, linking unemployment protection with job placement, reskilling, and formalization is essential as green

transition creates net jobs but causes frictional losses, especially for informal, lower-skilled, and women workers.

Finally, social protection can directly contribute to mitigation by greening pension funds — \$53 trillion in OECD alone — divesting from fossil fuels, and by linking cash transfers and public works to ecosystem protection, like Brazil's Bolsa Verde reducing deforestation by 22% and Ethiopia's Productive Safety Net Program enhancing carbon sequestration.

Closing Gaps, Strengthening Social Protection Systems

Universal, comprehensive and adaptive social protection is indispensable for climate action, yet progress is too slow and largely temporary. More than half the world (52.4%) is now covered by at least one benefit — up 9.6 points since 2015 — but 3.8 billion remain unprotected. The gap is starkest where risk is highest: only 25% coverage in the 50 most climate-vulnerable countries (2.1 billion unprotected) and 8.7% in the 20 most vulnerable. At current rates, universal coverage would take 49 years, until 2073. High-income countries reached 85.9% coverage, while low-income countries stagnated at 9.7%.

By function, old-age pensions lead at 79.6%, while child benefits (28.2%), maternity (36.4%), disability (38.9%), employment injury (37.4%), unemployment (16.7%), social assistance (37.3%) and health protection (60.1%, stalled) lag far behind.

A major driver is the “missing middle”: temporary, part-time, platform, self-employed and small-enterprise workers who fall between contributory and tax-financed schemes, plus migrants and

women who face 4.5-point lower coverage than men. Regionally, Africa (19.1%) and Arab States (30%) made minimal gains despite high climate exposure.

Closing these gaps requires getting the basics right: universal legal and effective coverage, adequate benefits, sustainable financing, and climate-ready institutions. In 2023, social protection spending averaged 19.3% of GDP (12.9% income security + 6.5% health), but 25% in high-income vs. 2% in low-income countries. Low- and middle-income countries need an extra \$1.4 trillion per year – 3.3% of GDP (2% health, 1.3% cash benefits) – to guarantee a floor; for low-income countries alone the gap is 52.3% of GDP (\$308.5 billion).

Repurposing fossil fuel subsidies can help: explicit and implicit subsidies equal 1.2% and 9.7% of GDP in low- and middle-income countries versus the 3.3% gap, though potential is limited in low-income countries (1.0% + 2.6%), requiring international support. Systems must adapt through automatic triggers, ad-hoc vertical/horizontal expansions, indexation, climate-sensitive health benefits, contingency planning, digitalized and interoperable registries linked to early warning and disaster data, and rights-based strategies built through social dialogue to support both life-cycle risks and a just transition.

Social Protection for All across the Life Course

Social protection is essential for realizing children's rights and breaking cycles of poverty, labour, disease and missed education, yet the climate crisis has been called "structural violence against children" – 1 in 4 under-5 deaths are linked to environmental damage, with

children highly vulnerable to heat, disease and food insecurity. Progress on extreme child poverty has stalled due to COVID-19, with 3 years of gains lost: 333 million children still live under \$2.15/day, 820 million under \$3.65, 1.4 billion under \$6.85, and 1 billion in multidimensional poverty.

Climate risks both drive and result from poverty – 6 in 10 multidimensional poor children face at least one climate hazard yearly – while children in high-risk areas have the least social protection, and girls, children with disabilities, migrants and indigenous children face intersecting inequalities.

Only 23.9% of children 0-18 are covered, leaving 1.8 billion uncovered and just 7.6% in low-income countries; coverage grew modestly from 22.1% in 2015 to 28.2% in 2023 for 0-15, but Africa and Asia-Pacific still have 493 million and 765 million uncovered children respectively. While 145 of 213 countries have statutory child benefits, spending is only 0.7% of GDP globally and 3.8% of total social protection spending. Closing the gap would require an extra \$59.6 billion for low-income (10.1% GDP), \$88.8 billion for lower-middle (1% GDP) and \$98.1 billion for upper-middle-income countries.

Evidence shows universal child benefits – currently in only 58 countries – can cut child poverty by 5 points on average, and is more effective when combined with services, gender-responsive design, school feeding, and shock-responsive mechanisms triggered by weather thresholds. Repurposing regressive fossil fuel subsidies and leveraging climate finance, including loss and damage funds, are proposed as equitable ways to finance adequate, rights-based, inclusive and sustainable child-sensitive systems.

Policy Orientations

Universal social protection is indispensable for a fair, secure and green transition – without it, climate adaptation and mitigation risk deepening vulnerability, inequality and eroding the social contract, while making climate policies politically unsustainable.

Progress since 2015 is insufficient, so the report calls for a pivot from merely reducing poverty to preventing it, by guaranteeing a rights-based national social protection floor for all – especially uncovered rural, indigenous, migrant and displaced groups – and progressively reaching higher, adequate levels through inclusive social insurance + tax-financed schemes that provide health, sickness, employment-injury and income security.

Systems must be gender-responsive, link cash benefits with quality childcare, long-term care and health services to recognize and redistribute unpaid care, and enable workers in all forms of employment to navigate formalization and green structural change.

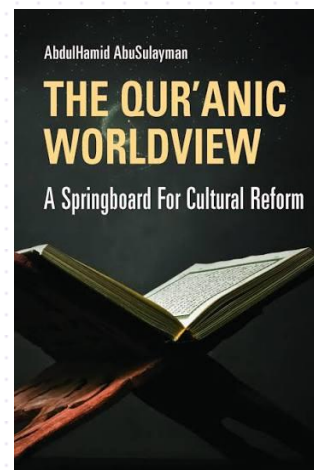
Delivering this requires strong legal frameworks anchored in international standards, participatory social dialogue, resilient delivery systems, and sustainable equitable financing: domestic resource mobilization, progressive taxation, reprioritization and anti-evasion, plus international solidarity for low-income countries facing a 52.3% GDP financing gap, and harnessing climate finance, fossil fuel subsidy reform and carbon pricing revenues to fill gaps and compensate households, thereby renewing the social contract for social justice within planetary boundaries.

Book Review

Title: Qur'anic Worldview: A Springboard for Cultural Reform

Editor: Abdul Hamid Abu Sulayman

Publisher: International Institute of Islamic Thought



In the 'Qur'anic Worldview: A Springboard for Cultural Reform', Dr. Abdul Hamid Abu Sulayman diagnoses the root causes of civilizational stagnation across the contemporary Muslim world. He argues that the primary crisis facing the Muslim Ummah is not political or economic in nature, but fundamentally epistemic and

methodological—a crisis of thought, culture, and worldview.

The author explains that Islamic worldview contains enterprising spirit, dynamism, and intellectual and emotional power. He regrets that ambiguity gradually settled over the Islamic worldview after the end

of the Prophetic era and the days of the rightly guided caliphates.

The author is confident that since revelation and universal laws derive from the same source, there is no discord between the actual meaning and guidance conveyed by divine revelation. The Qur'anic worldview is an ethical, monotheistic, purposeful, positive perspective on the world and reflects the healthy, well-balanced human nature God created within us.

The author recommends to envision the implications of the Qur'anic worldview for our societal institutions by applying its concepts to various areas of life. Such concepts include mutual consultation, justice, charity, the doing of good, and purification. Opposing concepts are injustice, wrongdoing, aggression, and all that counters reason and human interests.

To break free from historic stagnation (taqlid / imitation) and passive modern westernization, Abu Sulayman argues that Muslim scholars and reformers must reconstruct a dynamic, ethical, and universal Qur'anic Worldview. This foundational paradigm shifts focus from legalistic, ritualistic formalism (fiqh-centric reductionism) back to the core ethical-ontological goals (Maqasid) revealed in the Qur'an: justice, human dignity, peaceful coexistence, and proactive stewardship (khilafah).

A culture's viability depends on its underlying worldview. The early Muslim generation succeeded not merely due to military force or legal structures, but because of a dynamic, enterprising, and integrative worldview.

The Qur'an posits a universal monotheism where the self and the 'Other' are bound

by common creaturely dignity. This contrasts sharply with tribal, sectarian, or ethnocentric frameworks.

The core principles embodied in the worldview include justice ('Adl) and stewardship (Khilafah). Human existence is framed as a moral trust (amanah). Governance and societal development must serve human well-being and equitable distribution of resources.

Abu Sulayman draws a strict distinction between globalism (Alamiyyah) and globalization (Awlamah). The former represents mutual recognition, peaceful exchange, and universal human rights rooted in moral responsibility. Contrarily, globalization is Western-centric cultural hegemony, economic exploitation, and power imposition.

As per the noted author, true reform requires synthesizing revealed knowledge (the Qur'an and authentic Sunnah) with empirical/social sciences (the study of natural laws and human society, or Sunan Allah). The author heavily critiques historical jurisprudence (fiqh) that has been frozen in medieval historical contexts, treating temporary human rulings as eternal divine mandates.

In social transformation, the author highlights that reforming higher education and social science research is paramount. Muslim youth must be trained in critical, analytical thinking rather than blind rote memorization. Intellectual reform must translate into viable institutions capable of addressing modern social, political, and economic challenges.

Abu Sulayman cogently identifies that political failure in Muslim-majority societies is downstream from an epistemic and educational crisis. By focusing on

worldview and methodology, he offers a deeper diagnostic framework than purely political reform movements.

The book makes a crucial distinction between immutable Qur'anic principles and historical Islamic jurisprudence (fiqh), allowing for authentic intellectual modernization without abandoning religious identity. The emphasis on global human brotherhood and constructive engagement provides a robust Islamic alternative to both xenophobic isolationism and uncritical Western assimilation.

Nonetheless, while the book excels at high-level philosophical and methodological diagnosis, it offers limited actionable roadmaps for policy, institutional governance, or legal restructuring in real-world states.

In contrasting the early prophetic/caliphal period with later decline, the work at times risks romanticizing early Islamic history, underplaying the complex socio-economic and political friction present even during the early caliphates.

Integrating revealed knowledge with contemporary social sciences (the

'Islamization of Knowledge' paradigm) poses ongoing philosophical challenges regarding empirical epistemology, value-neutrality, and academic methodology that the book touches on conceptually without fully resolving.

It is also important not to mix up problems in Muslim civilization in the past and present and the Islamic worldview. Islamic worldview in the battle of ideologies and worldviews is still relevant, dominant, consistent and triumphant.

The problems and shortcomings in practice should not be presented as Islamic worldview requiring revival, recovery and reform. Rather, it is the practice that needs to transform itself. While it is expected that the author is clear and agrees with this viewpoint; sometimes, the choice of phrases and words can bring misunderstanding.

Research Paper in Focus

Paper Title: Entrepreneurship from an Islamic Perspective

Author: Abdelkader Chachi and Kemal Hattab

Publisher: Journal of King Abdul Aziz University: Islamic Economics, 39(2), 109-119].

In the research paper titled 'Entrepreneurship from an Islamic Perspective', published in the Journal of Islamic Economics, authors Dr. Abdelkader Chachi and Prof. Kemal Hattab investigate how Islamic theological, moral, and legal King Abdulaziz University: Islamic

frameworks define and guide entrepreneurial behavior.

The paper posits that while conventional capitalist entrepreneurship relies heavily on utility maximization, individualism, and profit-seeking without mandatory religious controls, Islamic entrepreneurship presents an integrative model balancing material, social, and spiritual dimensions (Falah).

Using an inductive-deductive qualitative approach, the study draws upon foundational primary texts (the Qur'an and Sunnah), synthesizes existing literature, reviews Malaysia as an applied empirical reference case, and constructs an original conceptual model.

The authors begin by exploring the historical evolution and conceptual definition of entrepreneurship, contrasting Schumpeterian notions of innovation and risk-taking with the Islamic paradigm. In Islam, legitimate trade and entrepreneurship are not merely commercial activities but are recognized as acts of worship (Ibadah) when performed within the boundaries of Shari'ah, under strict moral constraints, and with social responsibility.

The paper outlines twelve foundational Islamic ethical principles and economic controls governing commercial conduct. These include Tawhid (monotheism and ultimate divine accountability), Sidq (honesty in financial reporting and marketing), Amanah (trustworthiness in handling stakeholder resources), Adl and Qist (justice and equity in pricing and employee compensation), Al-Ihsan (striving for excellence and benevolence), Taqwa (God-consciousness), Al-Maslahah Al-Ammah (prioritizing public interest), Al-Ayid Al-Halal (earning only through

permissible means), and general social responsibility.

The authors explicitly detail prohibitions against Riba (interest and usury), Gharar (excessive risk or transactional ambiguity), and Maysir (gambling or speculation), arguing that these boundaries redirect financial activity away from predatory debt toward risk-sharing equity mechanisms such as Mudarabah (trust financing) and Musharakah (equity partnership).

To bridge theoretical concepts with real-world application, the paper presents Malaysia as a successful case study of institutionalizing Islamic entrepreneurship. The authors detail how Malaysia's structured ecosystem utilizes state-backed financial instruments, institutionalized microfinance, and policy frameworks to support micro, small, and medium enterprises (SMEs).

For example, the paper references empirical findings on women's entrepreneurship in Hulu Langat, Selangor, where organizations like Amanah Ikhtiar Malaysia (AIM) and TEKUN Nasional provide crucial micro-financing and institutional support to mitigate financial distress and empower female entrepreneurs.

Furthermore, the study highlights Malaysia's integration of corporate Waqf (perpetual endowments) and Islamic Social Finance (ISF) as mechanisms for social enterprises to reinvest profits directly into community welfare, establishing a positive correlation between Shari'ah-compliant financial structures and national economic growth.

Building upon these theoretical and empirical insights, the authors propose a novel, scalable 'Islamic Model of Entrepreneurship' designed to transition

individuals from poverty into sustainable business ownership. The model establishes a graduated growth path powered by the integration of Islamic Social Finance (ISF)—such as Zakat (obligatory charity), Waqf, Qard Hasan (benevolent interest-free loans), and Sadaqat (voluntary charity)—with Islamic Business Finance (IBF). Under this framework, aspiring or micro-entrepreneurs begin their journey supported by non-exploitative ISF mechanisms, which absorb initial risks, eliminate debt stress, and build entrepreneurial confidence without exposing vulnerable populations to bankruptcy.

As businesses mature into small and medium enterprises, they transition into profit-making IBF equity contracts like Musharakah, Mudarabah, and Muzara'ah. The model grounds itself in five core economic pillars: realization of Maqasid Al-Shariah (objectives of Islamic law), establishment of justice (Adl), protection of wealth (Hifz al Mal), preservation of human dignity (Al-Karamah), and profit-and-loss sharing (Musharakah fi Al-Arbah wal-Khasair). Business progress within this model is continually evaluated using an 'Islamic Entrepreneurial Scorecard' assessing governance, social impact, honesty, and Shari'ah compliance.

From an academic perspective, the paper makes a meaningful contribution by offering an integrated conceptual synthesis that systematically links Islamic social finance instruments with formal business finance structures. By providing a clear, step-by-step roadmap from social relief to commercial equity financing, the authors address a persistent gap in Islamic economics literature, which frequently treats non-profit social instruments (Zakat, Waqf) and commercial Islamic banking

mechanisms as completely separate operational domains.

The inclusion of Malaysia's policy environment provides concrete context to what might otherwise remain an entirely theoretical abstract exercise. Additionally, the paper's emphasis on risk-sharing alternatives over traditional debt-based contracts aligns well with broader international literature seeking ethical, resilient economic alternatives following global financial crises.

However, several critical and methodological limitations weaken the overall impact and academic rigour of the paper. Methodologically, the study relies almost exclusively on qualitative secondary literature and a single, highly specialized country case study, limiting its empirical generalizability across diverse economic environments.

While the authors claim their proposed model is universal and scalable across both low- and high-income OIC member states, they do not critically address how countries lacking Malaysia's developed regulatory infrastructure, state capacity, and mature Islamic banking sector could realistically implement such a complex dual-finance ecosystem.

The proposed framework assumes a high degree of institutional efficiency, governance, and altruistic cooperation between social funds and commercial institutions, without adequately addressing operational friction, moral hazard, or agency costs inherent in managing non-collateralized social funds for commercial venture creation.

Furthermore, the paper exhibits conceptual over-simplification when contrasting Islamic entrepreneurship with conventional

capitalist models. By characterizing conventional entrepreneurship as almost solely driven by unrestrained profit maximization and utility, the authors overlook extensive modern research on Corporate Social Responsibility (CSR), conscious capitalism, benefit corporations (B-Corps), and social entrepreneurship frameworks flourishing in non-Islamic contexts.

The study's critique of conventional microfinance and debt instruments lacks an empirical cost-benefit analysis regarding operational sustainability; it does not detail how microfinance institutions utilizing Qard Hasan or risk-sharing models can maintain financial viability and cover administrative overhead without relying on perpetual external subsidies or state intervention.

Lastly, while the paper provides a visually thorough theoretical framework, it lacks empirical validation or field-testing to verify whether entrepreneurs graduating through the proposed ISF-to-IBF pipeline demonstrate higher survival or growth rates compared to those accessing standard

commercial financing.

In conclusion, the authors provide a structured, ethically grounded theoretical framework that articulates how Islamic principles can shape an inclusive, human-centric entrepreneurial ecosystem. By conceptualizing a path that integrates social welfare tools with commercial equity financing, the paper offers a valuable foundation for future research in Islamic economics and social enterprise design.

Nevertheless, to advance beyond a normative blueprint, future research must empirically test this model across varying socio-economic climates, quantify its operational costs, and evaluate its practical implementation outside highly supportive regulatory regimes. In Malaysia, the future studies can evaluate and compare the policies within the Madani model and show how close they are to the Islamic entrepreneurship model as presented in this study.

Reflections

Sometimes, question is raised that what is the purpose of the universe and other species. Why there was a wait for billions of years before humans began to exist in the universe. What is the purpose of millions of other life-forms in animals and plants? Why there is no life on other planets?

First of all, time is a relative concept. Thus, human's conception of time on planet earth is just how we experience movement of earth around sun and about its own axis. Venus and Mercury take longer time to fully rotate about their axis than to complete their orbits around sun. This means Venus and Mercury have days

that last longer than their years, i.e. orbiting around sun is faster which determines years and rotation around their axis is slower which determines days.

Second, other life-forms exist and have consciousness. Their lives give us a lot of food for nutrition and food for thought. We get food for our physical needs from plants, trees and farm animals. We are able to use some animals for our safety and travel. Even the microorganisms are important in decomposing waste and are a source of medicines and vaccines. In a way, these life-forms support our sustenance. Humans as consumers depend on nature

for their sustenance more so than the plants which produce their own food and supply nutrients for other animals including humans.

We also get food for thought if we look at these life-forms. Reflecting on animals, we can see that they have limitations. They live on instincts and do not have ability to look into distant past and far future. They operate on survival instincts. Should humans be like that and only pay attention to survival and animal instincts? We know from our own introspection that we have a clear and strong moral conscience and free will to choose goodness and evil in our choices. Not only do we have that power of recognition, but a strong urge to see goodness, fairness and justice prevail in society. We never like to be cheated and be dealt unfairly.

Even those who act in bad ways, they also recognize the evil acts as bad. Belief in afterlife accountability as included in monotheistic faith solves the puzzle by giving deterministic results for choices done with free will. It completes the cause and effect relation in moral matters. Steven Weinberg once remarked that looking at cosmos; one gets the impression that it is pointless⁵⁹. However, religious worldview makes life of every human being meaningful and purposive with promise of deterministic justice in the life to come.

On the other hand, matter without any apparent life, i.e. abiotic matter, also supports our sustenance. Without Jupiter and Saturn orbiting out past Earth, life may not have been able to gain a foothold on our planet. The two gas giants likely helped stabilize the solar system, protecting Earth and the other interior, rocky planets from frequent run-ins with

big, fast-moving objects⁶⁰. Sun and moon give us light and their pre-determined movements make our days and night liveable in terms of length and temperature. Due to the Sun and Moon's gravitational pull, we have tides. Seas and rivers give us food and water. Likewise, forests, life in forests, mountains and bio-diversity together provide the ecological balance which helps in sustaining life.

As humans, when we look into our inner self, we find that we also have survival instincts like animals. But, we also have conscience to differentiate right from wrong. Our brains have memories, emotions and intellect to go beyond physical reality and find answers. Our aesthetic sense likes beauty, art, culture and nature. We also have the ability to use matter for our convenience in making objects bigger and powerful than us so as to make us transcend our physical limits. Science has facilitated us to use matter in useful ways. However, as stated before, we also have conscience. We have inherent morals and values. Religion speaks to our soul and asks us to purify our inner soul as well as ensure that our physical self is also pure, clean and peaceful while engaging with our outer environment where we meet people and nature.

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Weinberg, S. (1993). "Dreams of a Final Theory: The Search for the Fundamental Laws of Nature", New York: Random House.

Lewin, S. (2016). "Life on Earth Can Thank Its Lucky Stars for Jupiter and Saturn". www.space.com, January 12, 2016.

Market News

Islamic Banking & Finance

- ❖ CDNS achieves Rs 10 billion Islamic Finance bond target in FY, 2026-27 (Associates Press of Pakistan, Sep 30).
- ❖ Islamic banking assets in Oman climb 10.5% to surpass \$26 billion (Arab News, Sep 29).
- ❖ Exclusive: Shoreline targets 100,000 bpd after \$500 million Qatar Islamic Bank financing (The Africa Report, Sep 28).
- ❖ Oman's Islamic banking sector hits RO 10 billion asset milestone (Muscat Daily, Sep 28).
- ❖ Islamic banking deposits in SA have grown 151% in five years (Money web, Sep 10).
- ❖ Bangladesh Bank bars profit from Islamic credit cards (The daily Star, Sep 29).
- ❖ Halyk Bank seeks Islamic banking license in Kazakhstan (Salaam Gateway, Sep 30).
- ❖ Pan Gulf secures \$19 million Islamic credit facility from Emirates NBD (Zawya, Sep 29).

Sukuk

- ❖ Sharjah Islamic Bank raises \$500 million through 5-year Sukuk (Khaleej Times, Sep 27).
- ❖ Govt accepts Rs 23.5 billion face value in GoP Ijarah Sukuk Outright Purchase (Mettis Global, Sep 30).
- ❖ Saudi Sukuk inclusion in JPMorgan index to boost local debt market (Zawya, Sep 30).
- ❖ Rawasi Albina says unable to pay due Sukuk returns (Arab News, Sep 30).
- ❖ UAE's new 5.06% Sukuk: What your Dh1,000, Dh10,000 could earn (Gulf News, Sep 23).
- ❖ Maybank completes RM 2.5 billion AT1 Sukuk Mudarabah issuance (The Star, Sep 28).
- ❖ Qis Bazaar raises PKR 500 million through landmark Sukuk issuance (The Friday Times, Sep 03).
- ❖ Bahrain Business: ASB Capital secures top role in \$500 million KIB Sukuk (GDNonline, Sep 29).
- ❖ Greenberg Traurig represents joint lead managers on KIB's US\$500 million Sukuk issuance (PR Newswire, Sep 17).
- ❖ Hejaz Sukuk active ETF reports annual loss of \$104,298 for year ended 30 June 2026 (Kalkine, Sep 30).
- ❖ UAE sets yearly profit rate of 5.06% for investing in its second retail T-Sukuk (Gulf News, Sep 22).
- ❖ Dentons advises a syndicate of banks on The Islamic Development Bank's issuance of US\$1.5 billion Sukuk (Dentons, Sep 16).
- ❖ Winstar Capital proposes RM 300 million Sukuk to fund investments, land buys (The Star, Sep 21).
- ❖ Lagenda raises RM 475 million from Sukuk issuance (The Star, Sep 18).
- ❖ Sukuk Capital holds 63% of Fintech debt market (Arab News, Sep 17).
- ❖ PNB issues second US\$300 million exchangeable Sukuk (The Edge Malaysia, Sep 09).
- ❖ Saudi banks issue nearly SAR 35 billion Sukuk, bonds in 2026 (Arab News, Sep 19).
- ❖ QCB issues govt Ijarah Sukuk worth QR 4.1billion (The Peninsula Qatar, Sep 30).
- ❖ Sabah Energy Corp completes maiden RM350 million Sukuk issuance (The Star, Sep 17).
- ❖ IILM's US\$1.26 billion Sukuk reissuance attracts 2.38 times oversubscription (The Star, Sep 16).
- ❖ Al Rajhi Bank wraps up \$600 Million T2 social Sukuk issue (Arqam News, Sep 06).

Takaful

- ❖ Egypt boosts Takaful and Karama funding to record EGP 54 billion (Egypt News, Sep 24).
- ❖ Sukoon Takaful partners with Ajman Bank to deliver Sharia-compliant solutions (Wam.ae, Sep 05).
- ❖ Takaful Malaysia sees retail business as next growth engine (The Edge Malaysia, Sep 15).
- ❖ Qatar's Takaful insurers post QR 335 million profit in 2025; Finance companies' earnings climb 13% | Gulf Times (Gulf Times, Sep 07).

Islamic Fintech

- ❖ UK Islamic Fintech Ayan Capital secures £75 million (\$100 million) facility originated by Triple Point as it builds towards a halal digital bank (Yahoo Finance Singapore, Sep 17).
- ❖ Qatar's Fintech to cross QR 7 billion, growing 16% annually through 2034 (The Peninsula Qatar, Sep 03).
- ❖ Bilal addresses Harvard Islamic Finance Conference on blockchain, Muslim world's tech future (The Nation Pakistan, Sep 30).

Islamic Social Finance

- ❖ Telangana high court quashes 2001 Waqf notification over Toopran lands (The Times of India, Sep 23).
- ❖ Waqf Fund buys retail units to generate £150,000 a year for humanitarian projects (UK Fundraising, Sep 11).
- ❖ Awqaf honors 38 imams and preachers for promoting waqf (The Peninsula Qatar, Sep 27).
- ❖ Zakat Fund approves nearly JD100,000 to settle debts of 117 women (Fana News, Sep 22).
- ❖ Over 5,600 Muslim households receive \$2.2 million in cost-of-living support (The Straits Times, Sep 26).
- ❖ \$3.3 million distributed to 830 senior Zakat beneficiaries' CPF retirement savings, says MUIS (The Straits times, Sep 06).
- ❖ Zakat and Sadaqat Foundation disburses N 735 million to 2,916 beneficiaries across Nigeria (The Guardian Nigeria News, Sep 18).



Economic and Financial Indicators

Islamic Banking Statistics 2026

Country	CAR	Gross NPF	ROA	ROE	Net Profit Margin	Cost to Income
Bahrain	19.5	0.8	0.8	10.2	37.3	54.1
Bangladesh	21.2	1.2	0.5	11.1	34.4	54.8
Brunei	19.1	1.8	2.0	15.3	69.7	30.3
Egypt	18.62	2.98	3.50	40.58	63.70	18.56
Indonesia	25.51	2.14	2.65	19.25	36.34	63.66
Jordan	19.4	2.0	1.5	16.9	51.4	48.6
Kuwait	17.7	1.9	1.6	11.9	56.3	41.3
Malaysia	17.7	1.5	1.1	14.3	38.9	41.2
Morocco	20.0	0.3	-1.5	-17.3	-63.3	159.6
Nigeria	10.26	5.11	2.54	88.57	32.11	62.8
Oman	15.6	3.2	1.2	8.8	36.4	56.8
Pakistan	24.9	4.6	5.3	78.4	62.9	36.1
Palestine	15.2	6.3	-0.1	-0.7	-1.4	68.4
Qatar	20.7	3.8	1.5	13.6	26.2	8.8
Saudi Arabia	19.6	0.9	2.39	18.0	62.6	37.4
Sudan	8.60	4.68	3.01	34.1	37.5	50.0
Turkey	18.5	9.8	3.4	42.9	41.6	42.6
UAE	18.3	4.9	2.4	18.7	39.7	56.8

Source: IFSB Data

Table 1.1: Islamic Financial Services Industry Size by Sector and Region (2025)

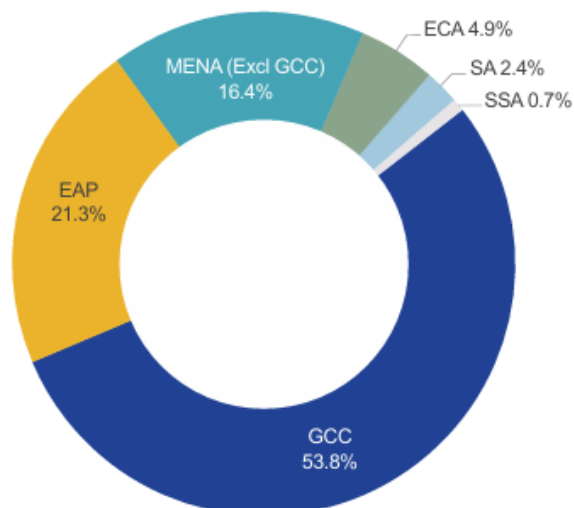
Region	Islamic Banking Assets	Şukūk Outstanding	Islamic Funds Assets	Islamic Insurance Assets	Total (USD Billions)
East Asia and the Pacific (EAP)	375.85	491.40	46.54	22.49	936.28
Europe and Central Asia (ECA)	104.35	37.71	71.62	3.32	217.00
Gulf Cooperation Council (GCC)	1,759.65	543.29	34.21	30.22	2,367.37
Middle East and North Africa (MENA exc. GCC)	702.00	6.80	0.11	13.64	722.54
South Asia (SA)	94.74	3.44	6.19	1.44	105.82
Sub-Saharan Africa (SSA)	14.36	1.19	15.20	0.04	30.79
Others	-	16.99	6.60	-	23.60
	3,050.94	1,100.83	180.47	71.14	4,403.39

Figure 1.2: Regional and Sectoral Distribution of Global IFSI Assets

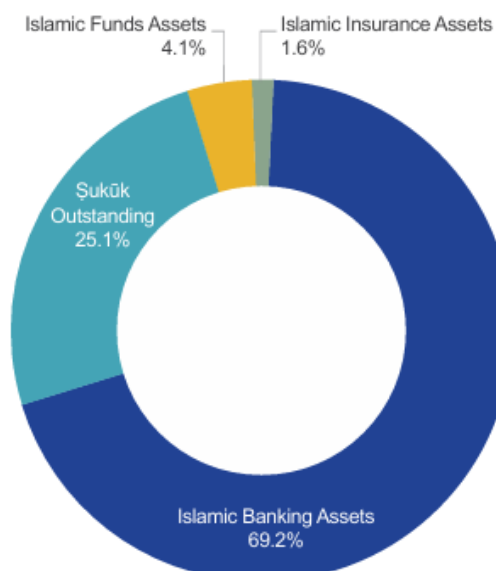
Mature Islamic finance markets in GCC and EAP account for 75% of the global IFSI asset base

Islamic banking continues to dominate, representing nearly 70% of global Islamic financial assets.

1. Regional Distribution of Global IFSI Assets
(Percent)



2. Sectoral Distribution of Global IFSI Assets
(Percent)



Sectoral composition varies and most continue to be banking dominant. While capital markets have developed to varying extents in different regions, Islamic insurance represent a consistently marginal share across all markets.

3. Regional Sectoral Assets (Percent)

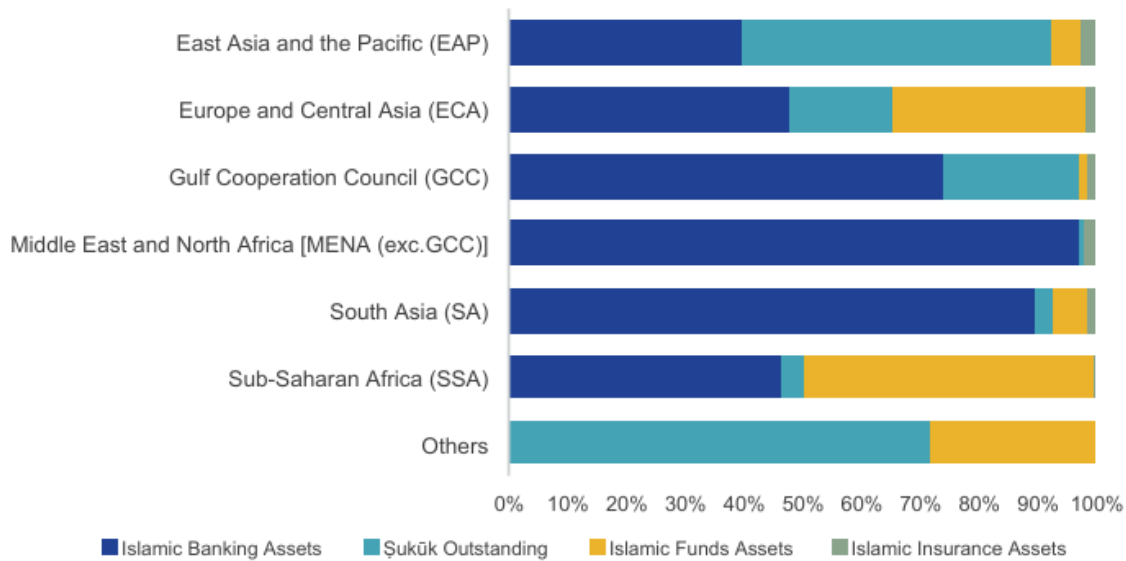
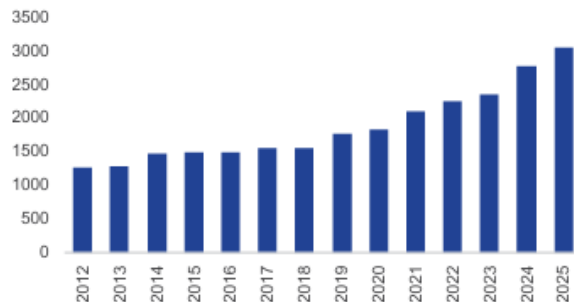


Figure 1.3: Islamic Banking Developments

Islamic banking assets have grown steadily across all regions, with a global CAGR(5yr) of 10.6%

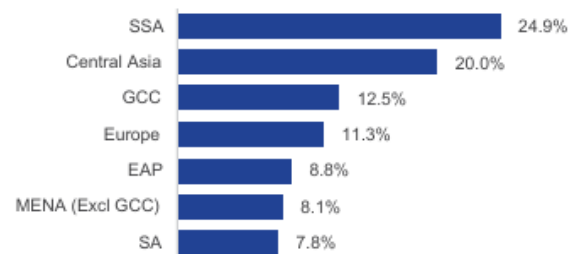
1. Islamic Banking Assets (2012-2025) (Billions USD)



On the asset side, shukuk holdings and interbank financing expanded faster than financing portfolios in some regions

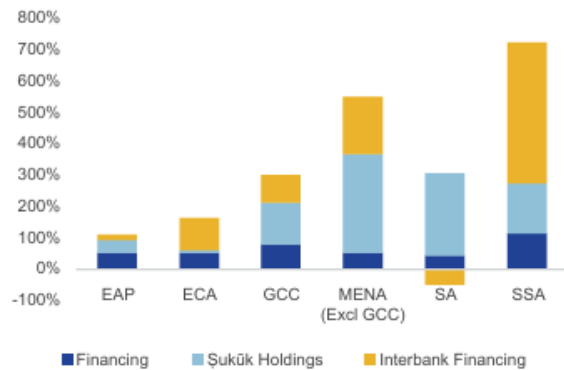
Frontier and emerging markets continue to record high growth rates outpacing established markets

2. CAGR of Regional Islamic Banking Assets (2020-2025) (Percent)

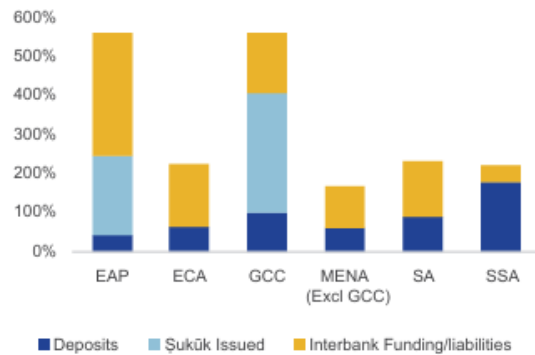


On the liabilities side, interbank funding and shukuk issuances are increasing in many jurisdictions

3. Regional Asset Composition Changes Change in percent (from 2020 to 2025)

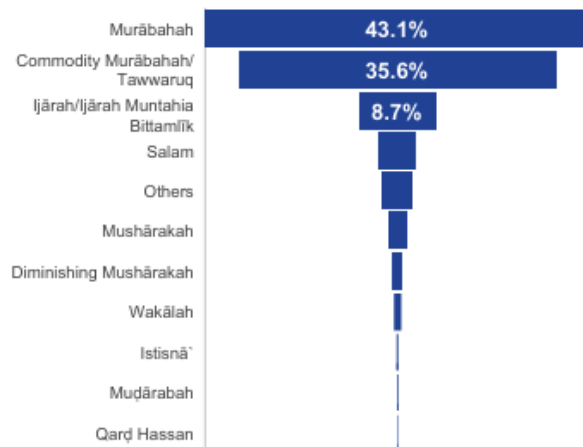


4. Regional Funding Composition Changes Change in percent (from 2020 to 2025)



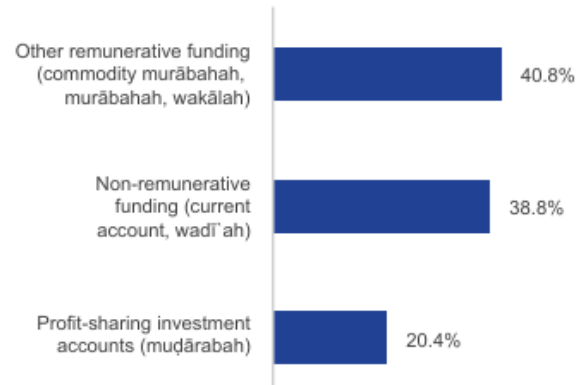
Murābahah and commodity murābahah account for significant portion of financing contracts globally

5. Global Financing by Contract (2025Q3) (Percent)



Debt-based remunerative deposits constitute the dominant share of Islamic banks' funding composition

6. Global Composition of Deposits (2025Q3) (Percent)



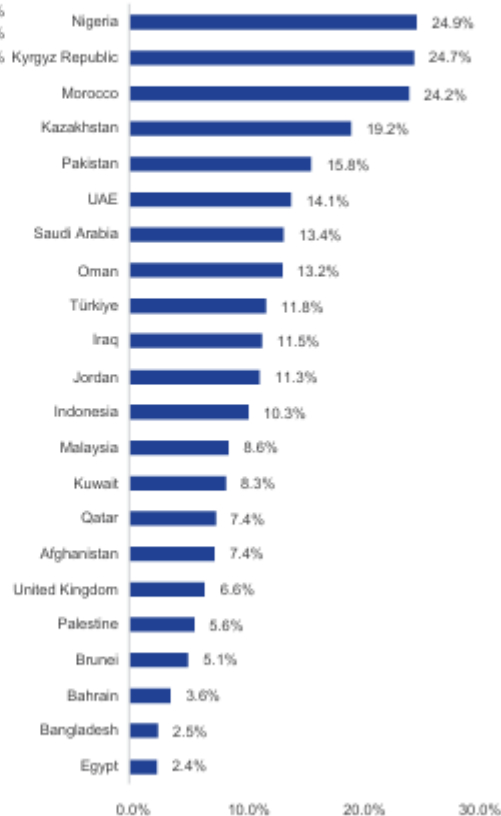
16 Domestic Systemic Important (DSI) markets retained 93% of global Islamic banking assets

Double-digit growth rates across many jurisdictions, including frontier and established markets

7. Islamic Banking Share in Total Banking Assets by Jurisdiction (2025Q3) (Percent)



8. Islamic Banking Growth Rates (5-yr CAGR) Across Jurisdictions (Percent)

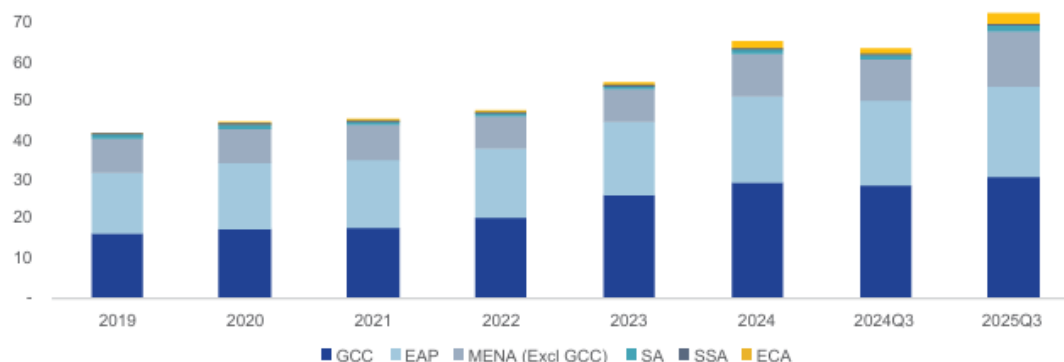


Source: IFSB PSIFIs

Figure 1.4: Islamic Insurance Growth Trends

Global Islamic insurance assets have grown steadily, surpassing USD 70 billion in 2025Q3

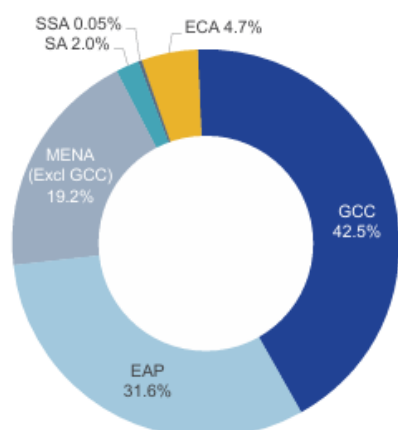
1. Islamic Insurance Total Assets (USD Billions)



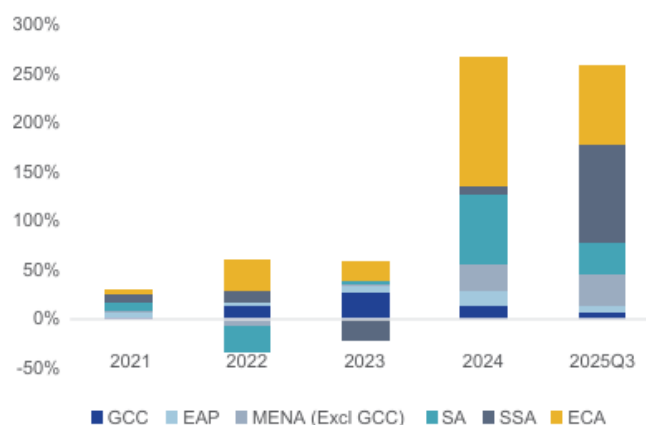
Established markets account for three-quarters of global Islamic insurance assets

Frontier markets are growing at a faster pace than mature markets

2. Regional Share of Islamic Insurance Assets (2025Q3) (Percent)



3. Total Assets Change in Percent (2021 – 2025Q3) (Percent)

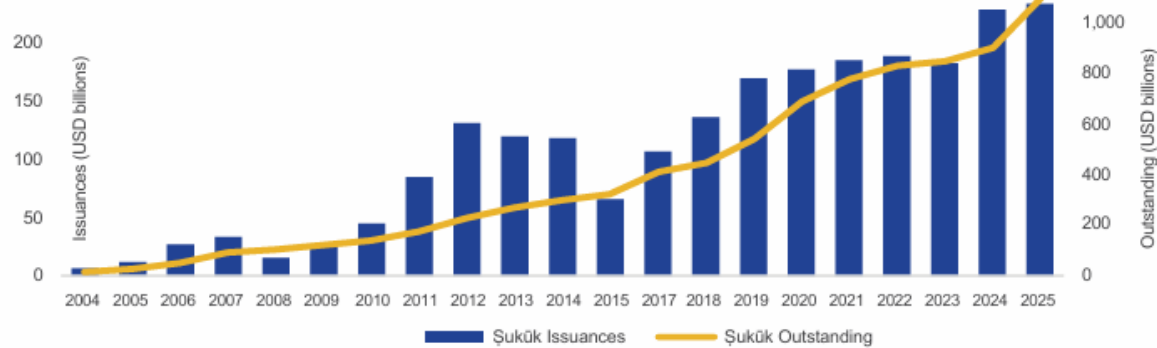


Source: IFSB PSIFs, data provided by regulators and public institutional data

Figure 1.5: Islamic Capital Market Size and Issuances

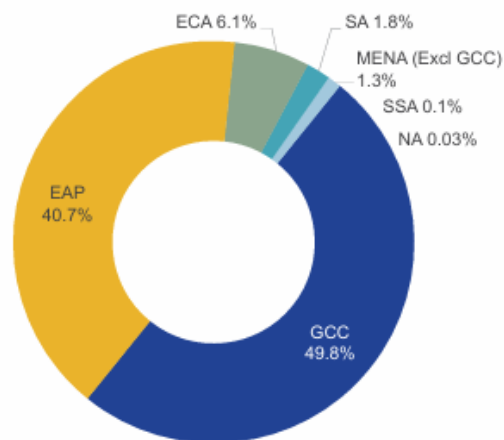
Outstanding şukūk crossed the USD 1 trillion threshold in 2025: a structural milestone for the global Islamic capital market

1. Global Şukūk Issuances and Outstanding (2004–2025)
(USD Billions)



Activity remains highly concentrated in core markets (GCC and EAP) which accounted for 91% of issuances

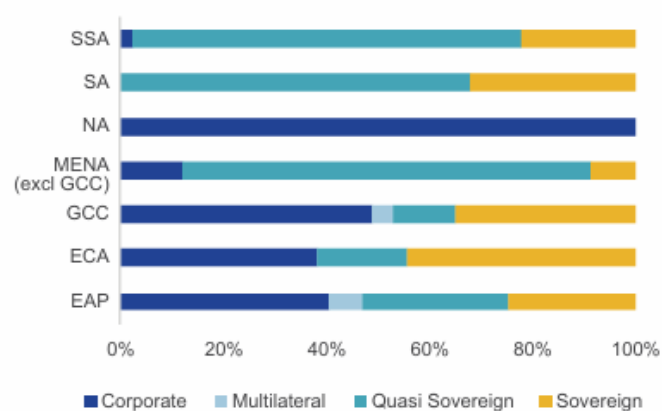
2. Şukūk Issuances by Region (2025)



AT1 capital şukūk issuance more than doubled in 2025, driven predominantly by GCC-based Islamic banks

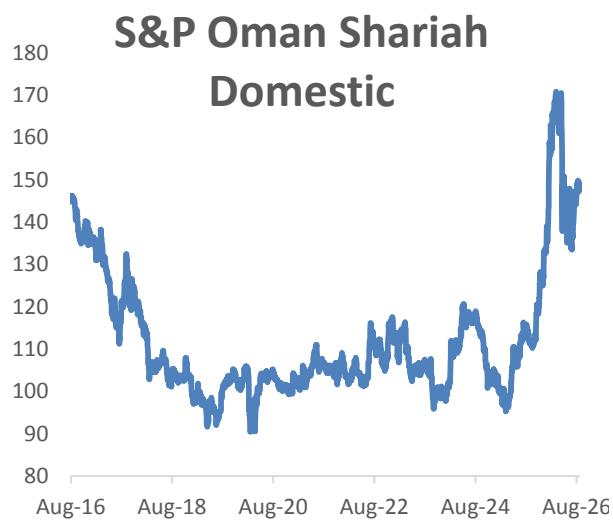
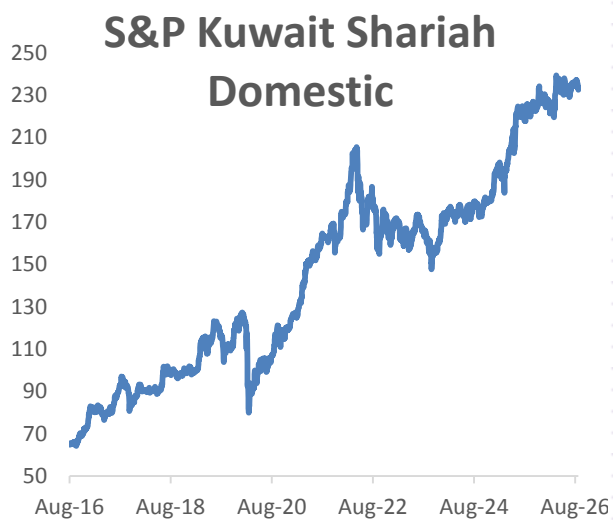
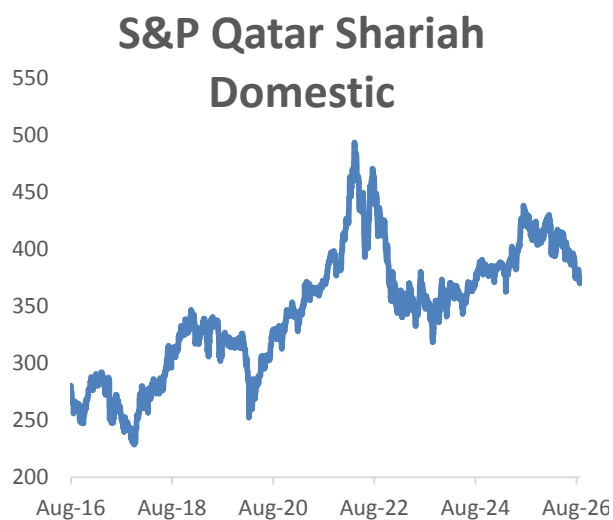
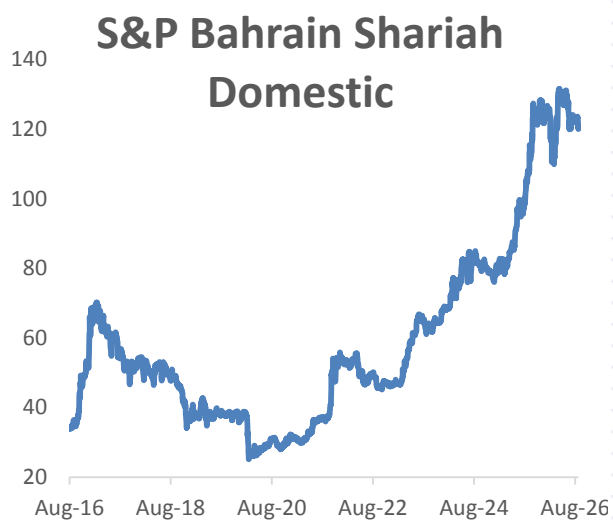
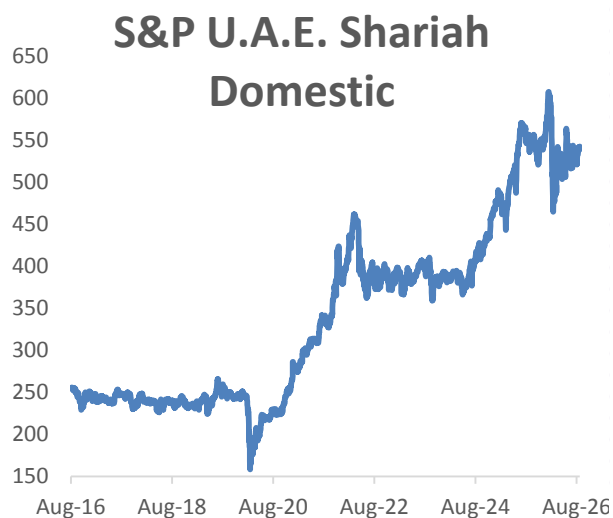
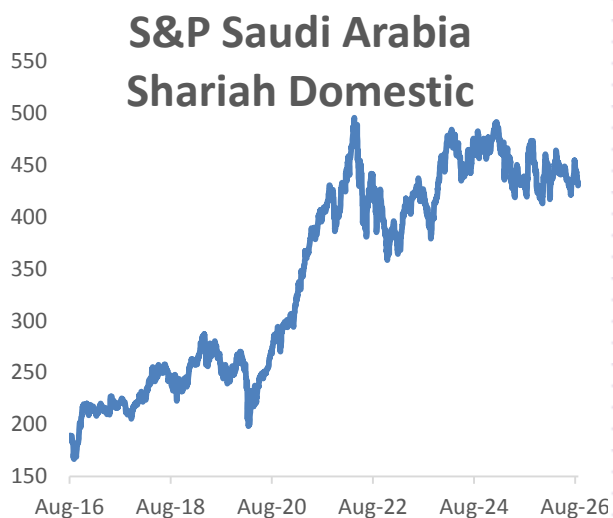
Composition varied by region, with sovereign and other government related issuances being dominant in many jurisdictions

3. Şukūk issuances in 2025 per region and issuer type



Sustainability-related issuances increased significantly, though it remains a modest share of the broader market

SUKUK Investments (Source: S& P Dow Jones)



Global Economic Perspectives

COUNTRY	GDP Growth (%)					
	2025	2026	2027	2028	2029	2030
Albania	3.4	3.6	3.5	3.5	3.5	3.5
Algeria	3.4	2.9	2.7	2.7	2.5	2.5
Azerbaijan	3.0	2.5	2.5	2.5	2.5	2.5
Bahrain	2.9	3.3	3.3	3.1	3.2	3.2
Bangladesh	3.8	4.9	5.7	5.8	6.7	6.5
Benin	7.0	6.7	6.6	6.5	6.0	6.0
Bosnia and Herzegovina	2.4	2.7	3.0	3.0	3.0	3.0
Brunei Darussalam	1.8	2.4	2.6	2.9	3.1	2.9
Burkina Faso	4.0	4.8	4.7	4.7	4.7	4.7
Chad	3.3	3.6	3.4	3.7	4.0	4.1
Comoros	3.8	4.0	4.3	4.3	3.8	3.8
Djibouti	6.0	6.0	6.0	5.5	5.5	5.5
Egypt	4.3	4.7	5.4	4.9	5.1	5.3
Gambia	6.0	5.1	5.0	5.0	5.0	5.0
Guinea	7.2	10.5	10.7	10.8	11.3	7.8
Guinea-Bissau	5.1	5.0	5.0	4.5	4.5	4.2
Indonesia	4.9	5.1	5.1	5.0	5.1	5.1
Iran	0.6	1.1	1.6	2.0	2.0	2.0
Iraq	0.5	3.6	3.6	3.9	4.1	4.1
Jordan	2.7	2.9	3.0	3.0	3.0	3.0
Kazakhstan	5.9	4.4	4.2	3.0	3.4	3.4
Kuwait	2.6	3.9	2.3	2.3	2.2	2.3
Kyrgyz Republic	8.0	5.3	5.8	5.3	5.3	5.3
Libya	15.6	4.2	2.3	1.8	1.9	2.2
Malaysia	4.5	4.3	4.3	4.0	4.0	4.0
Maldives	4.8	4.5	4.1	4.0	4.0	4.0
Mauritania	4.0	4.3	4.4	5.6	4.6	3.0
Morocco	4.4	4.2	4.0	4.0	3.9	3.8
Niger	6.6	6.7	6.5	6.0	6.0	6.0
Nigeria	3.9	4.4	4.1	4.0	4.0	4.0
Oman	2.9	4.0	3.7	4.1	3.8	3.6
Pakistan	2.7	3.2	4.1	4.5	4.5	4.5
Qatar	2.9	6.1	7.8	3.5	1.6	3.4
Saudi Arabia	4.0	4.5	3.6	3.3	3.3	3.3
Senegal	6.0	3.3	3.3	3.8	4.1	4.6
Sudan	3.2	9.5	14.9	9.3	6.5	5.5
Tajikistan	7.5	5.5	4.8	4.5	4.5	4.5
Tunisia	2.5	2.1	1.6	1.4	1.4	1.4
Türkiye	3.5	4.2	4.1	3.8	3.8	3.8
Turkmenistan	2.3	2.3	2.3	2.3	2.3	2.3
United Arab Emirates	4.8	5.0	4.7	4.4	4.3	3.9
Uzbekistan	6.8	6.0	5.7	5.7	5.7	5.7
Yemen	-1.5	N.A	6.0	5.5	5.0	5.0

Source: World Bank Global Economic Perspectives, January 2026

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