





Path to Influential Global Economy





Friday to Sunday, May 30-June 1, 2025





















Path to Influential Global Economy

Day 2 – Saturday 31 May, 2025



Friday to Sunday, May 30-June 1, 2025





















Path to Influential Global Economy

Second Panel

Economic Strategies for Sustainable Growth in Islamic Economics: Integrating Principles with Global Practices



Friday to Sunday, May 30-June 1, 2025



















Path to Influential Global Economy

ISLAMIC ECONOMIC RESILIENCE & SUSTAINABILITY

Aligning Islamic Finance with **SDG** & **ESG** Strategies

BY: HUSSEIN FAKHREDDINE





















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QINVEST: A PROMINENT ISLAMIC FINANCIAL INSTITUTION

ABOUT QINVEST

- QInvest is a unique private investment bank, based in Doha
- QInvest has an expert, diversified offering spanning investment banking, proprietary investment and asset management
- With authorised capital of USD 1 billion and assets under management of USD 2 billion, QInvest deploys capital locally and internationally to create innovative solutions for clients
- QInvest co-invests alongside clients from its own balance sheet, making it a true partner for value creation
- QInvest is one of the most prominent Islamic financial institutions globally, and is fully Sharia compliant
- QInvest is licensed by the Qatar Financial Centre Authority (QFCA) and regulated by the Qatar Financial Centre Regulatory Authority (QFCRA)



ABOUT HUSSEIN

Fakhreddine assumed his current position in 2021. Prior to his current role at QInvest, Hussein was Head of Investment Banking at the Bank. In 2024, QInvest and affiliate companies had \$2 billion in assets under management, up 8% compared to 2023.

In November 2024, QInvest acted as the joint lead manager and bookrunner for Qatar Islamic Bank's recent issuance of a \$750 million Sukuk and as Joint lead manager and bookrunners in Dukhan Bank's \$800 million five-year senior unsecured Sukuk. Prior to QInvest, Fakhreddine was part of the Investment Banking Division at National Bank of Dubai, U.A.E. and Al Shall - Kuwait.



















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RISK SHARING ZAKAT, NO RIBA

TIMELESS VALUES.

MODERN RELEVANCE. Long before ESG and SDG became global BUZZWORDS, Islamic Finance was already doing it....

NOW THE WORLD CATCHES UP

ROOTED IN JUSTICE AND EQUITY

GLOBAL FINANCE EMBRACES WHAT ISLAMIC FINANCE ALWAYS STOOD FOR

In Islam, the Earth is considered an Amana (trust) from Allah, and humans are its stewards. The environmental aspect of ESG aligns with this concept, emphasizing the need to protect and preserve the environment.

Islamic Finance and sustainable or responsible investing have a great deal in common





















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A TRULY ETHICAL FRAMEWORK FOR FINANCE

ISLAMIC VS. CONVENTIONAL FINANCE

Prohibition of interest Charge interest Profit and loss sharing Profit maximization **Ethical investing** No ethical constraints No aggressive risk taking Aggressive risk taking Moral compass for sectors & Any sector / industry industries selection

INCLUSION AND SOCIAL JUSTICE

Turbulence



Islamic finance prioritizes ethical behavior. It's about balancing profitability with moral obligations a unique value proposition today







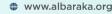


















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RELEVANCE OF SUSTAINABLE DEVELOPMENT GOALS (SDGS) TO ISLAMIC FINANCE

The 17 SDGs, adopted by the United Nations in 2015, aim to address global challenges such as poverty, inequality, and climate change. Islamic finance plays a significant role in achieving these goals by promoting responsible investments and inclusive growth.



No Poverty (SDG 1):

Islamic finance promotes social justice with instruments such as Wagf, Zakat and Sadag, thereby contributing to poverty reduction.

Shielding Against Economic



Decent Work and Economic Growth (SDG 8):

Given its direct link to physical assets and the use of profit and loss sharing arrangements, Islamic finance encourages the provision of financial support to productive enterprises that can increase output and generate jobs.



Sustainable Cities and Communities (SDG 11):

The emphasis on tangible transactions backed by assets ensures that Islamic financing only supports transactions that serve a real purpose, increasing the chances of increased output at the local level.



Climate Action (SDG 13):

Islamic finance promotes investments in projects that mitigate climate change and protect the environment such as Green Sukuk.



STRATEGIC PARTNERS



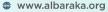
















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RESILIENCE DURING CRISES

ISLAMIC PRINCIPLES reduce exposure to speculative risks

Prohibition of Riba

Risk-sharing

Ethical Investment

Zakat

Asset back financing

No speculation

Low leverage No aggressive risk taking 2008



Islamic Banks
Stayed Resilient

Islamic Finance

2020



Sukuk funded healthcare recovery

Zakat & Waqf aided vulnerable communities

Evidence from the Crisis:

• Islamic banks in the Gulf and Southeast Asia were less affected, but not immune

Islamic Finance investments tend to outperform during down cycles, with their emphasis on defensive and resilient sectors with low gearing





















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QINVEST ALIGNS WITH SDGS AND ESG

QInvest strategy is supporting the SDGs and ESG strategies. Aligned our strategy with Qatar National Vision 2030 and its SDG & ESG initiatives Corporate ethics through Shariah-compliant governance

Successful close of first sustainability linked facility

Inclusion of ESG controls in the investment process

Assessment of ESG risks and opportunities

Development of an ESG framework

Measurement and tracking of GHG emissions

Shielding Against Economic

Turbulence

Sukuk-related investments (Epicure, Dukhan Bank's senior unsecured sukuk, Qatar International Islamic Bank's AT1 sukuk)

Incorporation of ESG controls in the investment process

Successful close of a **USD 275m** sustainability linked facility (SLF), in the first transaction of its kind in Qatar for a financial institution, and one of the first by an Islamic investment bank, globally





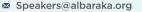












Shielding Against Economic

Turbulence





ISLAMIC ECONOMICS STRATEGIES:

Path to Influential Global Economy

ISLAMIC FINANCIAL INSTRUMENTS IN PRACTICE

MALAYSIA'S COVID-19 SUKUK (2020):

A government-issued sukuk used **to raise funds for economic recovery**, particularly targeting healthcare and small businesses.

TABUNG HAJI (MALAYSIA):

A pilgrimage savings fund that has provided long-term financial resilience for depositors through stable, Shariah-compliant investments.

ZAKAT FUNDS DURING ECONOMIC SHOCKS:

In Pakistan and Indonesia, zakat institutions rapidly **deployed funds to vulnerable communities** during COVID and natural disasters.



STRATEGIC PARTNERS





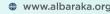
















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PRACTICAL IMPLEMENTATIONS









Financial inclusion via Islamic microfinance and fintech

Corporate ethics through Shariah-compliant governance Societal impact: zakat, waqf, and qard hasan for redistribution

Supporting underserved communities and SMEs

SEDCO Capital (Saudi Arabia)

Integrate sharia principles with ESG to serve all stakeholder.

Kuwait Finance House (KFH):

Embeds sharia aligned governance through community support, customer focus and employee development

Examples





















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EVIDENCE IN PRACTICE

SUKUK INVESTMENTS

Avoiding investments in industries like gambling or arms, prioritizing both returns and moral screens.

ISLAMIC MICROFINANCE IN BANGLADESH

(e.g., Islami Bank)

Combines financial services with ethical lending, avoiding exploitative practices while supporting entrepreneurship.

AL BARAKA BANK ESG REPORT (2022)

Combines financial reporting with maqasid-al-shariah outcomes – e.g., social welfare, economic justice.





















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IMPACT EXAMPLES









Finance guided by maslahah (public good) and adl (justice)

Shariah screening aligns with SDG goals (e.g., health, peace)

Islamic finance as principle oriented vs. ESG as performance-based

Complementary, not competing, frameworks

SUKUK



Avoiding investments in industries like gambling or arms, prioritizing both returns and moral screens.

Islamic Microfinance in Bangladesh (e.g., Islami Bank)

Combines financial services with ethical lending, avoiding exploitative practices while supporting entrepreneurship



















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CONCLUSIONS & RECOMMENDATIONS

Conclusions

Islamic finance offers a resilient, ethical framework

Strong synergy with SDGs and ESG for sustainable future

Need for innovation, standardization, and global collaboration

The sustainable investment industry is larger than the world of Islamic Finance, and it is growing faster. One recent estimate from Bloomberg puts the likely size of the ESG asset market at **\$53 trillion** by the end of 2025. This would represent a more than doubling of assets under management in less than a decade (ESG assets accounted for \$22.8 trillion in 2016).

Great opportunity for Islamic Finance(around \$3 trillion today).

Looking Ahead: Recommendations

Develop international & localized Islamic ESG standards

Promote green/social sukuk with ethical structures

Leverage tech: AI, blockchain, digital Islamic banks

Support from regulators and policymakers is key























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Expanding Horizons: Strategic Approaches for Islamic Financial Institutions to Expand Beyond Borders

Rafe Haneef, Group Chief Executive Officer, MBSB



Friday to Sunday, May 30-June 1, 2025





















1 OIC vs EU: Intra-Regional Trade Performance

▶ Weak intra-OIC trade: only ~18% of their total global trade

Intra-OIC trade flow

Total OIC trade flow

USD 967 B

USD 5,446 B

▶ **Strong intra-EU trade**: ~ 60% of their total global trade

Intra-EU trade flow

Total EU trade flow

USD 7,950 B

USD 13,267 B

Table 1 Intra-OIC trade flows (selected countries*) in billion USD for 2023

		Importer (USD 'b)									
		Malaysia	Indonesia	Saudi Arabia	Qatar	Iran	Türkiye	Pakistan	UAE	Total World	% OIC*
	Malaysia		11.2	1.5	0.3	0.4	3.8	1.0	3.1	313.0	7%
	Indonesia	12.5		2.1	0.7	0.2	1.5	3.0	2.6	258.8	9%
	Saudi Arabia	7.7	3.8		1.1	0.0	4.2	4.7	16.8	321.0	12%
(q. c	Qatar	0.5	0.7	0.6		0.0	0.4	3.3	4.2	97.8	10%
ISN	Iran	0.2	0.7	0.0	0.1		7.1	2.0	6.1	104.5	15%
ter (Türkiye	0.5	0.4	2.6	8.0	3.2		0.6	8.6	255.6	7%
Exporter (USD 'b)	Pakistan	0.5	0.3	0.6	0.2	0.0	0.4		1.4	29.0	12%
ú	UAE	1.9	0.8	29.5	7.9	5.8	18.7	4.3		570.2	12%
	Total World	266.0	221.7	211.1	31.4	65.6	362.0	50.4	470.5		
	% OIC*	9%	3%	17%	34%	14%	9%	35%	8%		

Table 2 Intra-EU trade flows (top 5 EU countries**) in billion USD for 2023

			Importer (USD 'b)							
			Germany	France	Netherlands	Italy	Belgium	Total World	% EU**	
		Germany		129.5	119.6	92.3	65.7	1,549.6	26%	
		France	88.4		24.7	57.3	52.3	626.6	36%	
	(q, Qs	Netherlands	227.2	81.7		40.4	106.2	873.7	52%	
	Exporter (USD 'b)	Italy	80.8	68.7	20.0		20.9	656.2	29%	
	Expor	Belgium	105.1	76.0	74.2	27.8		562.6	50%	
		Total World	1,235.9	771.4	816.1	624.9	555.7			
		% EU**	41%	46%	29%	35%	44%			













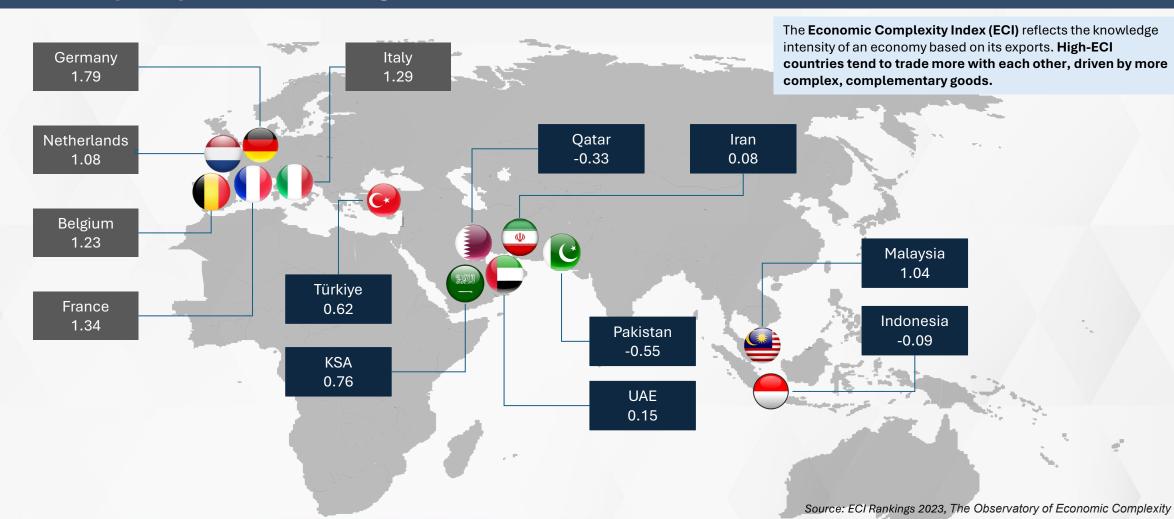








Economic Complexity as a Driver of Regional Trade Performance





















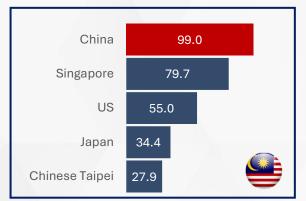




2 OIC Trade Remains Oriented Toward Non-OIC Partners

Top 5 trading partners (selected countries) in billion USD for 2023

Malaysia



Indonesia



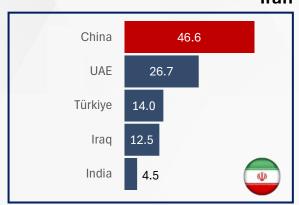
KSA



Qatar



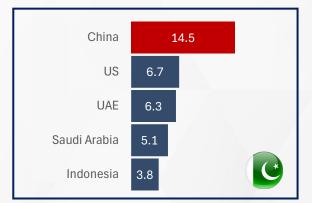
Iran



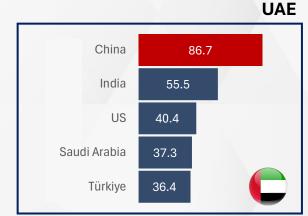
Türkiye



Paki



Pakistan







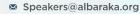












www.albaraka.org







EU Trade is Anchored in Regional Partnerships

Top 5 trading partners (selected countries) in billion USD for 2023

Germany



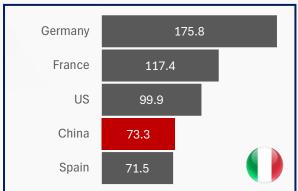
France



Netherlands



Italy









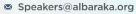
















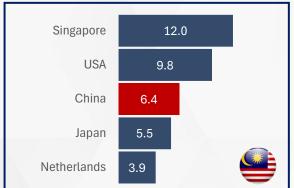


Qatar

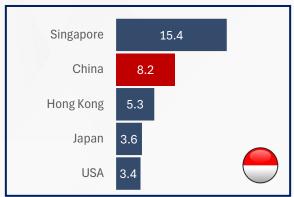
3 OIC FDI Inflows are Dominated by Non-OIC Investors

Top 5 FDI contributors (selected countries) in billion USD for 2023

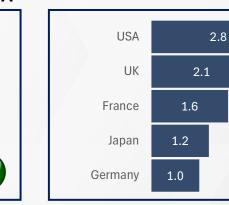
Malaysia



Indonesia



KSA



onesia



e Pakistan

USA

UAE

France

Japan

China



5.1

3.8

2.6

2.3

2.0

UAE





China

Russia

UAE

Turkey

India



8.0

0.5





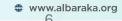
UAE













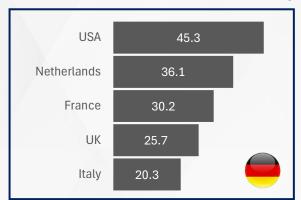




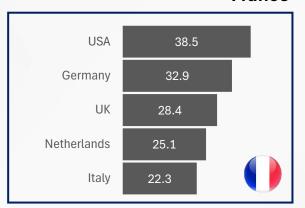
EU Attracts Investment Primarily from Within the Bloc

Top 5 trading partners (selected countries) in billion USD for 2023

Germany



France



Netherlands





Italy





















Limited Intra-OIC Expansion of Islamic Finance Institutions

















		Expansion							
		Malaysia	Indonesia	KSA	Qatar	Iran	Türkiye	Pakistan	UAE
	Malaysia		\bigotimes					igotimes	igotimes
	Indonesia	igotimes							igotimes
	KSA	igoremsize	igotimes				igotimes	igoremsize	
se	Qatar		\bigotimes				igotimes		igoremsize
Base	Iran						\otimes		igoremsize
	Türkiye			igotimes					igoremsize
	Pakistan			igotimes	igotimes				
	UAE			igoremsize			igoremsize		



















Structural Challenges Hindering Intra-OIC Trade and Investment



Limited Export Diversification

Dependence on raw materials limits economic resilience and market reach.



Financial Access Constraints

Lack of affordable trade finance dampens business expansion and international transactions



Low Value Addition

Scarce manufacturing and processing restricts export earnings and employment growth



Trade Barriers

High tariffs and inefficient customs procedures impede smooth cross-border trade.



Information Deficiency

Trade data scarcity impedes market decisions and competitiveness.



Infrastructure Gaps

Inadequate transport and logistics infrastructure limit timely and cost-effective trade.



Regulatory Disparities

Non-uniform standards and regulations cause compliance complexities among members.



Political Instability

Conflicts and security risks undermine trade trust and investment attractiveness.





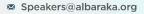


















Capabilities and Assets Supporting OIC Trade Expansion



Growing Middle Class

Emerging consumer base drives demand for varied goods and services within the region.



Strategic Locations

OIC countries act as gateways linking Asia, Africa, and Europe, enhancing trade flow potential.



Resource Abundance

Rich natural resources offer opportunities for industrial and value-added production growth.



Islamic Finance

Innovative financial systems provide alternative trade financing and investment channels.





















Strategic Levers to Accelerate Intra-OIC Trade and Investment

Trade Agreements with Others

Negotiate joint trade/FDA deals as a bloc (e.g., with China, EU, Africa)

Strong Institutions

Strengthen institution for coordination

Regulatory Harmonization

Create uniform standards to ease compliance and reduce transaction costs.



Infrastructure & Logistics

Invest in transport corridors, port connectivity, & cross-border rail/trade

Digital Single Market

Promote cross-border e-commerce, fintech integration, & digital identity

FDI Protection & Incentives

Offer OIC-wide investment protections, tax relief, and dispute mechanisms















11







OIC Success Stories: Strategic Collaborations Driving Trade and FDI Growth



Established in 1992

Eliminate tariff barriers among the Southeast Asian countries

Reduce tariffs to between 0%–5% on intra-ASEAN trade

Intra-ASEAN trade increased from USD44.2 bn (1993) to USD856.4 bn (2022

REGIONAL COMPREHENSIVE ECONOMIC PARTNERSHIP (RCEP)

Signed in 2020 & entered into force in 2022

ASEAN + 5 Partners (Australia, China, Japan, Korea & New Zealand)

Covers:

- Trade in goods & services
- Investment
- Economic & Technical
- Intellectual Property

ASEAN-GCC FRAMEWORK OF COOPERATION 2024-2028

Strategic ties in political-security, economic and socio-cultural areas

Promote among others:

- Trade & Investment
- MSME development
- Financial services
- Agriculture
- Halal Standards
- Clean Energy
- Tourism collaboration
- People-to-people ties
- Education

Türkiye-Malaysia FTA



Boosted bilateral trade by 30% through reduced tariffs and cooperation

Dubai Islamic Economy Centre



Drives growth in Islamic finance, promoting trade financing innovation.

OIC Halal Standards



Unified halal certification enhances product tradeability and market confidence

Benefits to Countries



Integrates supply chain



Access and sourcing of raw materials at competitive pricing



Trade facilitation -Attraction of Global FDI



Access to variety of goods and services



New and larger market – Increased Economic Resiliencet



























EUROPE

Frankfurt

Budapest

Warsaw

Moscow

Istanbul

London

Milan

Rotterdam

Paris

MATRADE Global Offices

NORTH AMERICA · Los Angeles

- Miami
- New York
- Ottawa

SOUTH AMERICA

- Buenos Aires
- São Paulo
- Santiago
- Mexico City



AFRICA

- Cairo
- Johannesburg
- Lagos
- Nairobi



- **Almaty**
- Tashkent
- Beijing
- Chengdu
- Guangzhou
- Shanghai
- Hong Kong
- Osaka
- Tokyo
- Seoul
- Taipei
- Chennai
- Mumbai
- Karachi

- Phnom Penh
- Jakarta
- Medan
- Yangon
- Manila
- Bangkok
- Hanoi
- Ho Chi Minh City
- Singapore
- Doha
- Jeddah
- Dubai





Melbourne





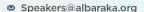


















THANK YOU



















Path to Influential Global Economy

Serving with Purpose:
Advancing Women's Financial Inclusion through
Empowerment, Access,
and Sharia-Based Financing
PT Bank BTPN Syariah, Indonesia – May 2025























BTPN Syariah overview

Our Journey

- Established in 2010 as BTPN Sharia Unit; massive roll-out in 2011
- Spin-off as PT BTPN Syariah on 14 July 2014
- Listed as PT BTPN Syariah Tbk on 8 May 2018
- Changed name into PT Bank BTPN Syariah Tbk on 4 June 2020
- Officially became Bank BUKU 3 Category according to the approval of The Financial Services Authority on 7 July 2020
- Classified as KBMI 2 (Bank With Core Capital Above IDR 6tn) in Oct-21
- Today: Spread across 26 provinces, with ~14.4k employees (~ 96% female and ~ 53% high school graduates)
- Rating: AAA (idn) Fitch with stable outlook confirmed in March 2024

Serving Sumatera, Java, Nusa Tenggara, Kalimantan and Sulawesi



FY 2024 Performance

Customer & Coverage

Serving ~ 7 mn customers, ~ 3.81 mn active



Coverage ~ 268.7k communities, in \sim 2,650 sub-districts

Assets

USD 1.4 bn

NPF

3.7%

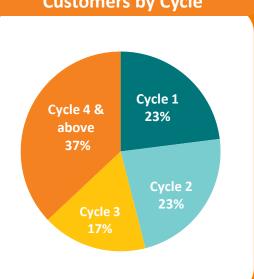
ROE

12.6%

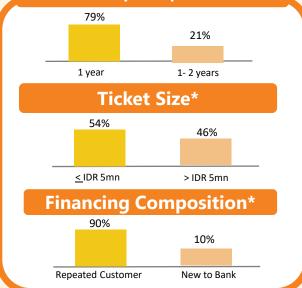
6.3%

ROA

Customers by Cycle







*based on outstanding



Prioritizing Development-Based Strategies in Islamic Banking



Focus on real-sector impact and inclusive financial services



Align with Maqasid al-Shariah: preservation of wealth, faith, life, intellect, and lineage



BTPN Syariah is a pioneer in development-focused Islamic banking in Indonesia, focusing on productive poor segment, support financial inclusion in Indonesia

Community Development Strategy



Uses Asset-Based Community
Development (ABCD) to focus on local
strengths rather than needs



Employs over 14 community officers (~53% high school graduates) who engage in regular mentorship and education

2 daya

community-based empowerment initiative that supports ultra-micro women entrepreneurs through financial access, knowledge sharing, and continuous mentoring.

Access to Financing



No collateral or initial deposit: reduces entry barriers for unbanked populations



Community Officers visit remote villages weekly, bringing banking services door-to-door



Right Savings: Allows micro-savings starting from IDR 1,000 (approx. \$0.06)



Approx. 97% of customers are women in rural areas (as of 2023)

financing

5 Year Financial Package

Financial salution in one package:

- Werking Capital
- Free Life Insurance
- Saving (free monthly fee)
 Future Benefits:
- Entitlement f
 ør working increase in each cycle

5 Year Financial

Membership

System

Superior Behaviors:

Courage, Discipline.

Hard Work, Mutual Assistance

Package

 After the third year, entitled for house renovation and education financing

Membership System

- Group Member selected by customers
- Routine meeting
- Mandatery saving
- Shared liabilities

Daya Capacit

Daya

Community

Officer

Capacity building trainings/ workshops in the topics of health, entrepreneurial skills and environment

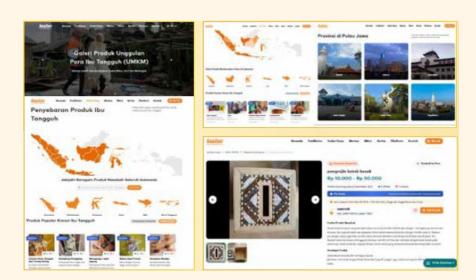
Community Officer

- Well-trained
 #bankirpemberdaya who
 become the role models of:
 - Honesty
 - Courtesy
 - Dicipline
- Facilitator of Daya
 Program



Access to Market

E-catalog Galeri Daya



E-catalog Galeri Daya is an online catalog on the Bestee website featuring customer products, aims to introduce "Ibu Tangguh" products to a wider audience and share inspiring business stories.

- ☐ Showcases both products and customer stories to engage potential buyers.
- Buyers can purchase directly through sellers' social media or e-commerce platforms.
- Offers an Open PO (pre-order) feature for customers without digital marketing access.
- Currently displays 144+ products from 134 customers, curated by Bestee Program students.



Market Access Events



Bunga Rampai

- A talk show event aimed at inspiring and motivating ultramicro entrepreneurs.
- BTPN Syariah's financing customers shared insights, struggles, and successes in their business journeys.
- ☐ The event promoted trust between funders and entrepreneurs while offering opportunities to showcase and purchase products.



Semarak Daya

- ☐ A rebranded version of "Pasar Daya," held three times a year to enhance customer business visibility.
- Aimed at improving market access through offline and online channels.
- ☐ Featured product showcases from various customers, such as food, fashion, home décor, and herbal products.
- Strengthened relationships between customers, funders, and stakeholders.



Daya Fest - Selendang Mayang

- ☐ Organized in collaboration with SMBC Indonesia, featuring empowerment talk shows and product exhibitions.
- ☐ Took place over two days at SMBC Tower, highlighting products from BTPN Syariah's customers.
- ☐ Provided a platform for customers to promote and sell their products while networking with industry leaders.



Corporate Presentation @2025

Access to Knowledge



Mini Meeting

☐ Initiating inclusion program by sharing banking products and services to the prospective customer performed by Bank's field team.



No. of beneficiaries: >8 million



Mandatory Membership Training Program

- □ 5days 1hour training program for new customers
- ☐ Introduce the Courage, Discipline, Hard work and Solidarity Values
- ☐ Inspire customer to have personal dream (e.g. Hajj, child education, better house) that shall be her motivation to build business
- ☐ Train basic financial management



No. of beneficiaries: >7 million



Customer Routine Meeting

- Deliver short empowerment modules in our bi-weekly routine meeting
- ☐ This empowerment is based on 3 main pillars: health, environment and entrepreneurship
- ☐ The bank has over 100 modules & games



No. of beneficiaries: >7 million



Mentoring Programs for Successful and Inspiring Customer

- Advanced empowerment program given to inspiring &successful customers
- ☐ Entrepreneurship training, certification, exhibition, business diversion, digital marketing, UMKMK & Competition, etc.



No. of beneficiaries: ~25k

Tepat Daya Platform (launched in mid 2022)

- Unlocking new way of empowerment using digital
- Connecting between customer with contributors/facilitators
- ☐ The facilitators are mostly from participating university student.



~ 110k Customers



~3.6k Facilitators

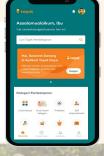


26 Provinces



368 University









| Corporate Presentation @2025

Digital Innovation



BTPN Wow! IB (USSD Technology)

(2016-2023)

- Description: Utilized USSD technology, which enables mobile banking services on simple/ feature phones by dialing specific codes. No need for a smartphone or internet.
- Result: Discontinued, Faced challenges due to technological limitations and the rapid rise in smartphone penetration in Indonesia.
- Key Learning: Adapting to the pace of technological change and aligning with customer device preferences is critical for adoption



TERRA (App for BTPN Syariah Sales Team)

(2018 - Now)

- Description: A digital application empowering Community Officers (BTPN Syariah Sales Team) to deliver banking services effectively and efficiently in the field.
- Result: Ongoing Success, Improved operational effectiveness, efficiency and customer satisfaction.
- Key Learning: Investing in tools tailored for field staff creates sustainable productivity and impact.



Warung Tepat (Agent App)

(2018 - Now)

- Description: A service that provides Agents (Mitra Tepat) access to financial services, goods, and supplies to support community needs.
- Result: On-going in Limited Areas, Progress is constrained by challenges in finding the right partners capable of serving deep rural and lastmile locations.
- Key Learning: Partnerships in remote areas require deep collaboration and innovative solutions to overcome logistical challenges.

V3 (Installment Payment via Agents)

5-0

⊕ ⊚

(2021-2024)

- Description: A temporary solution during the pandemic, enabling installment payments through Agents when physical group meetings were restricted.
- Result: Discontinued –
 Liquidity challenges and limited scalability impacted long-term sustainability.
- Key Learning: Temporary innovations can meet immediate needs during crises, but careful planning is essential for scaling and longterm success.

a Male Group Financing

Description: Group financing for male customers using a hybrid approach, combining

hybrid approach, combining offline meetings with online WhatsApp group video calls.

(2022-2024)

Result: Discontinued – Poor financing quality due to low customer engagement, making peer pressure ineffective.

 Key Learning: Designing financing models requires an understanding of engagement patterns and socioeconomic behaviors of the target audience.

Individual Financing with Soft-Collateral

(2025)

- Description: Introduced individual financing that uses soft collateral, which refers to alternative forms of collateral, which includes personal items such as motorbikes, electronics, jewelry, and work-related assets like machinery.to make credit more accessible.
- **Result: On-going**, Piloting Phase.
- Key Learning: Innovative collateral models can break traditional barriers to financing and significantly expand financial inclusion.



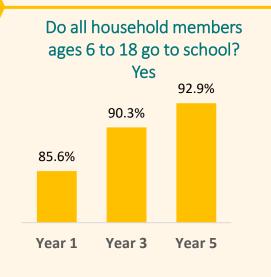
Corporate Presentation @2025

Social Impact: Positive changes, better for community

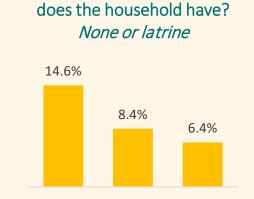
Leveraging Poverty Scorecard

Simple Poverty Scorecard for Indonesia* Question A. Jawa Timur, Jawa Tengah, DKI Jakarta, DI Yogyakarta, Lampung, Kalimantan Timur, 1. In what Kalimantan Utara, Bengkulu, Kepulauan Bangka Belitung, or Kepulauan Riau province B. Jawa Barat, Sumatera Utara, Sumatera Barat, Banten, Aceh, Maluku, Riau, Jambi, or does the household live? (record C. Sumatera Selatan, Sulawesi Selatan, Sulawesi Tengah, Sulawesi Tenggara, Nusa without Tenggara Barat, Kalimantan Selatan, Bali, or Gorontalo D. Nusa Tenggara Timur, Kalimantan Barat, Kalimantan Tengah, Sulawesi Barat, asking) Sulawesi Utara, Papua, or Maluku Utara 2. How many members does the household have? (from Back-page Worksheet) A. Five or more B. Four C. Three D. Two E. One 3. What is the material that covers the most area of A. Dirt, bamboo, cement/red brick, tiles/terrazzo. the floor of the residence? (if desired, read parquet/vinyl/carpet, wood/planks, or other B. Ceramic tile, or marble/granite response options to the respondent) 4. What is the area of the household's residence in square meters? A. 50 or fewer B. 51 to 70 C. 71 to 80 D. 81 to 100 E. 101 to 130 F. 131 or more 5. Does the household have any refrigerators or freezers? A. No B. Yes 6. Does the household have any motorbikes? A. No B. Yes 7. In the last 90 days, how many household members owned or possessed a cell A. None phone or a fixed wireless-access phone? B. One C. Two D. Three or more 8. How many household members have a savings account (individually or jointly A. None with another) at a financial institution (bank or cooperative)? B. One C. Two or more 9. In the last 7 days, did anyone in the household consume any bottled water, A. No whether from small disposable bottles or large refillable bottles? B. Yes 10. In the last 7 days, did anyone in the household consume any UHT milk, A. No condensed milk, powdered milk, or baby formula? B. Yes

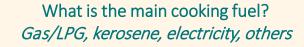
Gaining Portrait of Customer's condition after 5 years



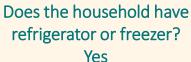




What type of toilet arrangements









Does the household have motorcycle or motorized boat?

Year 3

Year 5

Year 1



^{*} Assessment tool developed by Scorocs, LLC., questions are derived based on based on Indonesia's 2022 SUSENAS data



^{**}BTPN Syariah is not the sole determining factor of the customers' welfare improvement

Challenges and Opportunities

Challenges

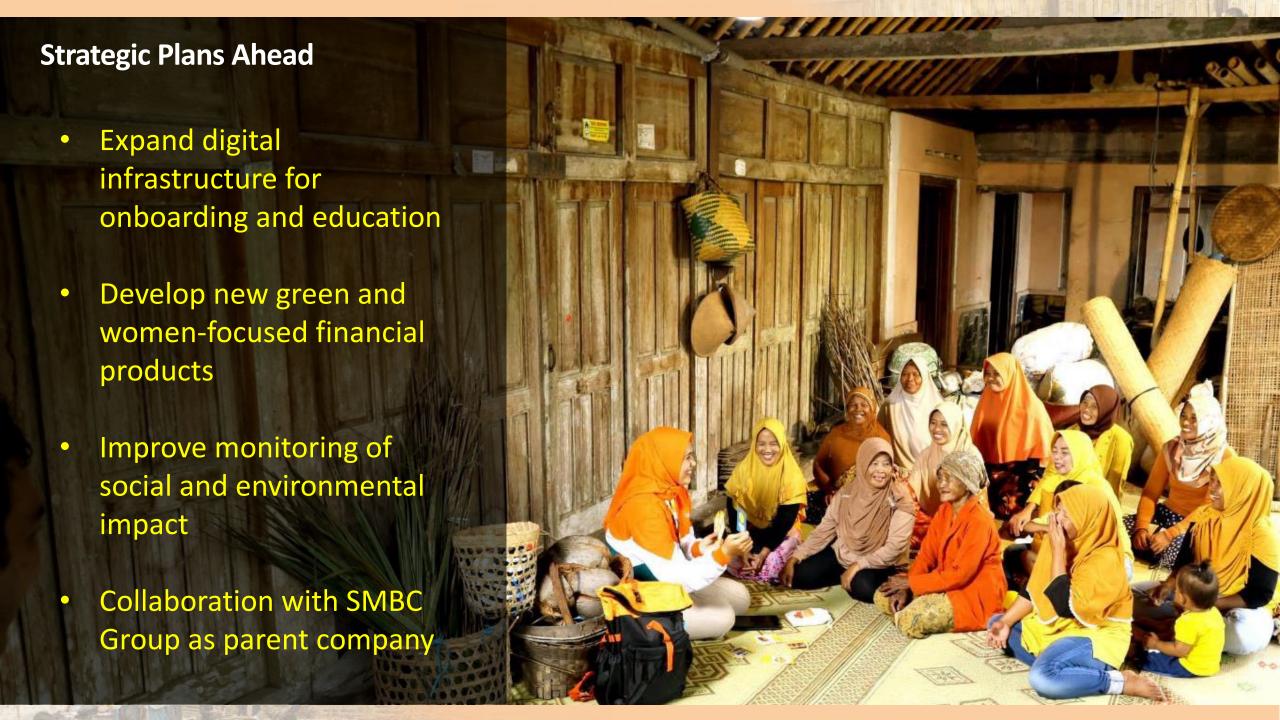
Inflation, rural logistics, and digital literacy gaps

Opportunities

Expand into digital Sharia ecosystem, strengthen green financing

Partnership 🗦

For Fintech-Sharia, other development-oriented collaboration











ISLAMIC ECONOMICS STRATEGIES:

Path to Influential Global Economy

Questions and discussion

Further inquiries

contact: www.btpnsyariah.com



Friday to Sunday, May 30-June 1, 2025



Istanbul Financial Center (IFC), HALKBANK Building



















ISLAMIC ECONOMICS STRATEGIES:

Path to Influential Global Economy

Third Panel:

Well-Being and Environmental Strategies: Social Justice and Economic Empowerment







Istanbul Financial Center (IFC), HALKBANK Building



















ISLAMIC ECONOMICS STRATEGIES:

Path to Influential Global Economy

The Development of Strategic Planning Involving Shari'ah Governance

Mehmet Asutay
Professor of Middle Eastern and Islamic Political Economy
Durham University Business School, UK



Friday to Sunday, May 30-June 1, 2025



Istanbul Financial Center (IFC), HALKBANK Building













Analytical Discourses: The Footprint of Modern Humans as a Governance Issue



Analytical Discourses: Linear Growth – A Race?





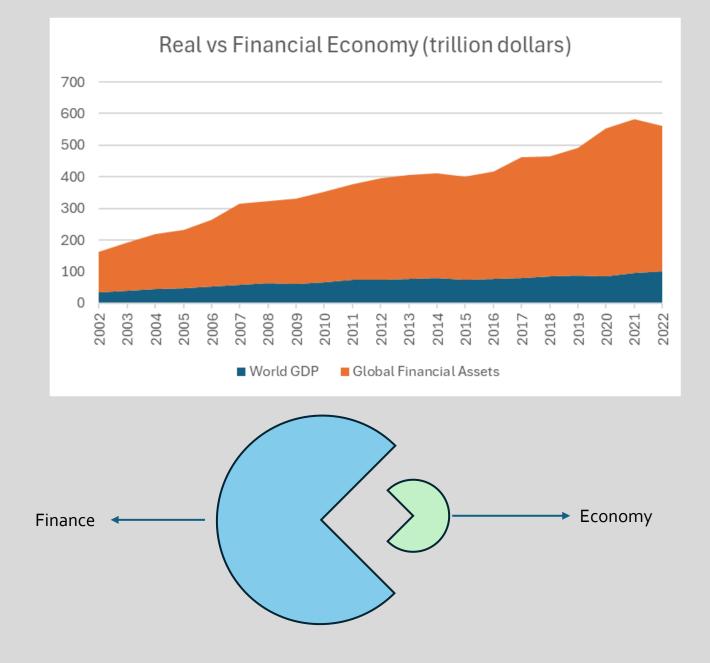
But towards what objective?

Neo-Liberal Order

Financialisation: Finance dominates economy

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Disembeddedness



Financial assets were about 5 times the world GDP in 2022

Islamic Banking Sectoral Composition of Financing by Country (2022)

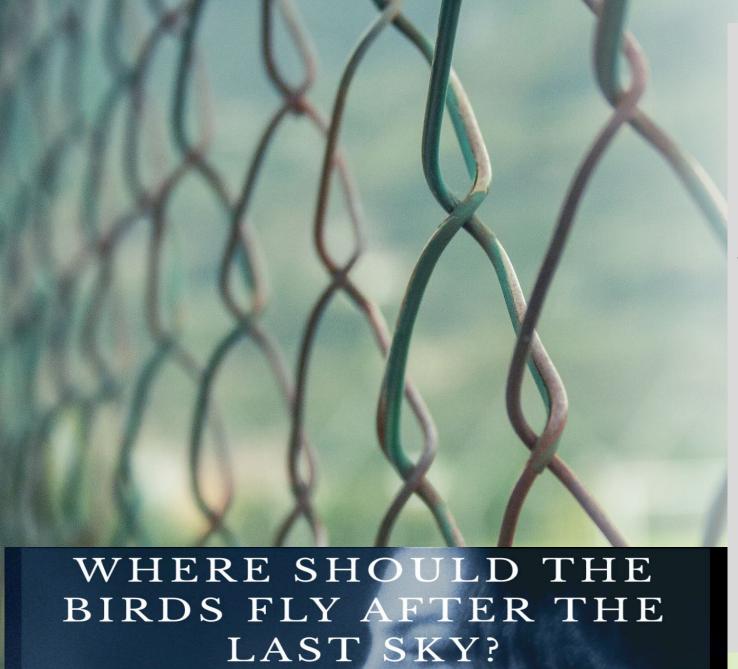
The Grafting Impact of Market Condition



2016		2019	
	Percentag		Percentag
Contracts	е	Contracts	е
Tawarruq	22	Tawarruq	46
Murabahah	19	Murabahah	17
Ijarah	18	Ijarah	12
		Musharaka	
Bai bithaman	12	h	8
Musharakah	9	Others	17
Bai'inah	7		
Others	13		

Source: IFSB, 2023

Source: Financial Stability Review 2017 & 2019, Bank Negara Malaysia



Moral Challenge for Constituting Islamic Governance:

Accessibility to Resources with Permissibility

by overcoming and breaking the barriers

Need for substantive virtue-based morality

Can there be a different institutional logic to arrange all these?

Mahmoud Darwish

Search for New Imaginaries







SEARCH FOR MEANINGS...

THE NEED TO REDEFINE HUMAN AND ORGANIZATIONAL BEHAVIOUR, MORALITY INFORMED PUBLIC POLICY AND GOVERNANCE

ALTERNATIVE DEFINITIONS OF HUMAN AND THE CONSEQUENT HUMAN BEHAVIOR IN SOCIETY AND IN ARRANGING RESOURCES AND THE RELATIONSHIP BETWEEN DIFFERENT STAKEHOLDERS

Making the Emergence – Towards Islamic Moral Political Economy Methodology

Islamic economics has been constituted by the following methodological approaches:

- Realists Formalists
- Historicists Historical Institutionalism
- Behaviourists Economy as everydayness
- Essentialists/Substantivists

Each of these has particular methodological implications and consequences;

Islamic moral political economy r aims to construct an Islamic political economy through essentialising the ontology and the classical knowledge including Ibn Khaldun



Strategic Search for Islamic Governance

- Search for Islamic alternative meanings to
- rescue human, land, environment and even capital from domination
 - towards just or ihsani/equilibrium society
 - emancipation and empowerment
 - falah individual by giving up process



Profit or Motive

Search for the Constituents of Islamic Governance

What factors motivate individuals? What is the incentive mechanism?

Neo-classical position – economic and financial gain

Islamic moral economy – articulation of Al Wadood name of Allah

- adalah/justice, *ihsani* governance, *falah, khalifah*
- Expansion and contraction of justice through ihsan create motivation for the corrective mechanism

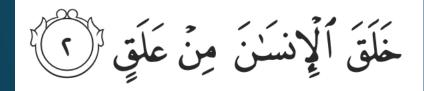


And the beginning of all beginnings informing Islamic Governance as an articulation of Islamic moral economy and finance





Read, 'O Prophet,' in the Name of your Lord Who created—



created humans from a clinging clot.

Islamic Governance System – Motive and Process Conditions

Motive

Profit Maximisation and financial motives?
Or
Falah/piety

Mystical love as motivation:

"O my Lord, if I worship Thee from fear of Hell, burn me in Hell, and

if I worship Thee from hope of Paradise, exclude me thence,

because I worship Thee for Thine own sake,

then withhold not from me Thine Eternal Beauty."

Process: Conducting Goodness

The term *khayr* (goodness) from the verse (al-Qur'an, 3: 104) refers to the attribution that is comprehended as good and certified by the revelation

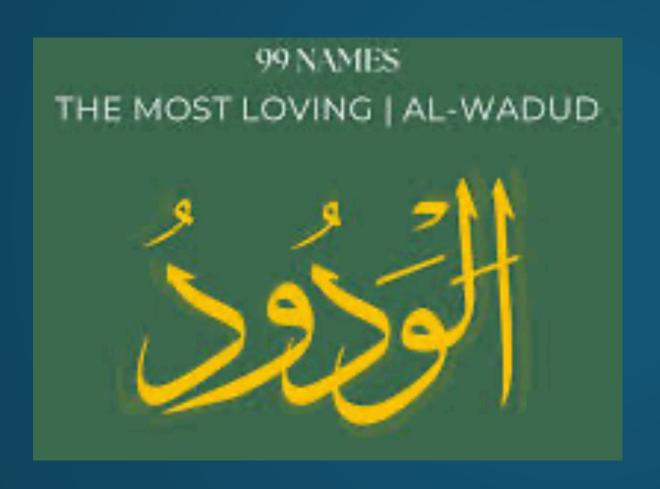
- require giving up for others

Faridu' d-Din Attar, Tazkirat-ul Avliyah

Key Characteristics of Islamic Ethics Theory

- Divine Command Theory as a Foundation- tawhid
- **Virtue Ethics** akhlaq and ihsan the goal is to develop a morally upright individual whose actions naturally flow from these virtues. The Prophet Muhammad (peace be upon him) said, "I have only been sent to perfect good character."
- **Teleological Dimension**: Islamic ethics has a clear purpose or end goal (telos), which is seeking the pleasure of God and attaining salvation in the Hereafter.
- Integration of Deontology (duty based) and Consequentialism (consequences of actions) the overarching framework of divine will and the pursuit of God's pleasure.
- Practical Application through Jurisprudence (Fiqh) ethics provides the underlying values, fiqh offers practical guidance on how to apply these values in various situations.

And the names of Allah Source for Constituents of Islamic Governance – Al-Wadūd



Al-Wadud, one of the 99 Names of Allah, translates to "The Most Loving" or "The Affectionate"

Al-Wadud signifies Allah's boundless love and affection for all His creation

Al-Wadud is not just a name, but an attribute of Allah, reflecting His divine nature and His unwavering love for humanity

And the names of Allah – Al-Wadūd

- **Al-Wadūd through His Mercy** (*Ar-Rahman, Ar-Rahim*) His love expresses itself in mercy to all creation.
- **Al-Wadūd through His Forgiveness** (*Al-Ghaffar, Al-Afuww*) He lovingly forgives again and again.
- Al-Wadūd through His Sustaining (*Ar-Razzaq*) He provides even to those who deny Him.
- Al-Wadūd through His Justice (Al-'Adl) His love ensures that no soul is wronged.
- **Al-Wadūd through His Guidance** (*Al-Hadi*) He lovingly guides hearts to Him.
- **Al-Wadūd through His Nearness** (*Al-Qarib*) His love brings Him closer to the believer than their own selves.
- Al-Wadūd through His Majesty (Al-Jalil, Al-Aziz) His love is not weakness, but flows from infinite power and nobility.

And the names of Allah – Al-Wadūd

Identifying the Strategic Contents of Islamic Governance

Al-Wadūd, with other names Allah provides the infinite articulation of moral spheres

Use Case	Second Stage	Third Stage
Ethical Action	Al-'Adl × Al-Wadūd = Compassionate Justice	With Al-Raḥīm: Restorative Compassionate Justice
Governance	Al-Malik × Al-Ḥakam = Just Sovereignty	With Al-'Alīm: Wise, Just, Sovereign Decision
Hillman lazkivan	Al-Ghafūr × Al-Ḥalīm = Patient Forgiveness	With Al-Baṣīr: Forgiveness with full awareness and forbearance

Example: Provision through Love

Ar-Razzāq & Al-Wadūd

Yields: Loving and moral economic systems, where provision is dignified (e.g. zakāh, waqf,

cooperatives).

(source: Islamic Applied Approach, 2025)

Micro Strategic Condition for Governance

Example: Al-Wadūd

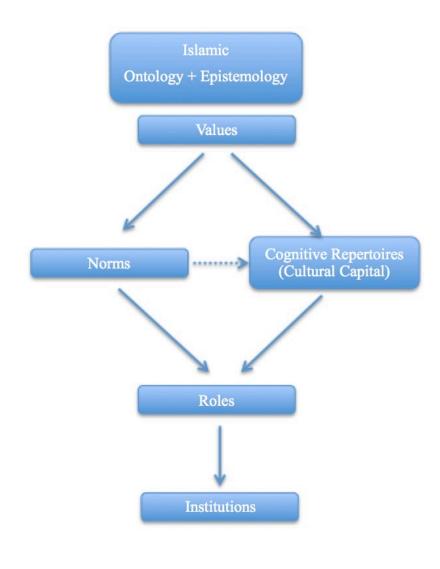
'Giving up' as a condition of ihsan/moral condition

Dimension	Description	Applied Understanding through Al- Wadūd
Shahādah (Knowledge)	Knowing the Truth of Allah	Recognizing that all of existence originates in Divine Love — creation is not arbitrary but purposeful.
Ṣalāh (Connection)	Aligning with Divine Rhythm	Aligning one's actions with Al-Wadūd by embodying compassion, proximity, and presence with creation.
Zakāh (Evaluation)	Assessing with Purification	Measuring actions not only by justice but by beneficence and tenderness — what uplifts and heals.
Şawm (Synthesis)	Withholding to Combine	Withholding the ego to combine Divine Names — e.g., Al-'Adl (justice) through Al- Wadūd becomes restorative justice.
Ḥajj (Communication)	Manifesting Universal Unity	Expressing Divine Love through unity and mutual service — a khalīfah becomes a living witness of love in society.

Source: Islamic Applied Approach (2025)

Implications of 'Iqra/Read!'– An Islamic Institutional LogicEmbeddedness for Islamic Governance Condition

- Everything has to be redefined
 - Including capital
 - Riba Prohibition is not a tool to facilitate capital movements with Islamic metaphors
 - An Islamic moral political economy paradigm to redefine Capital and its role within Islamic norms
 - Zakat is not a charity, but 'returning the right of the society to society', as all the resources created for humanity
 - An Islamic moral political economy institution to re-appropriate the resources for the interest of all stakeholders.
 - Ihsani governance in resource accessibility

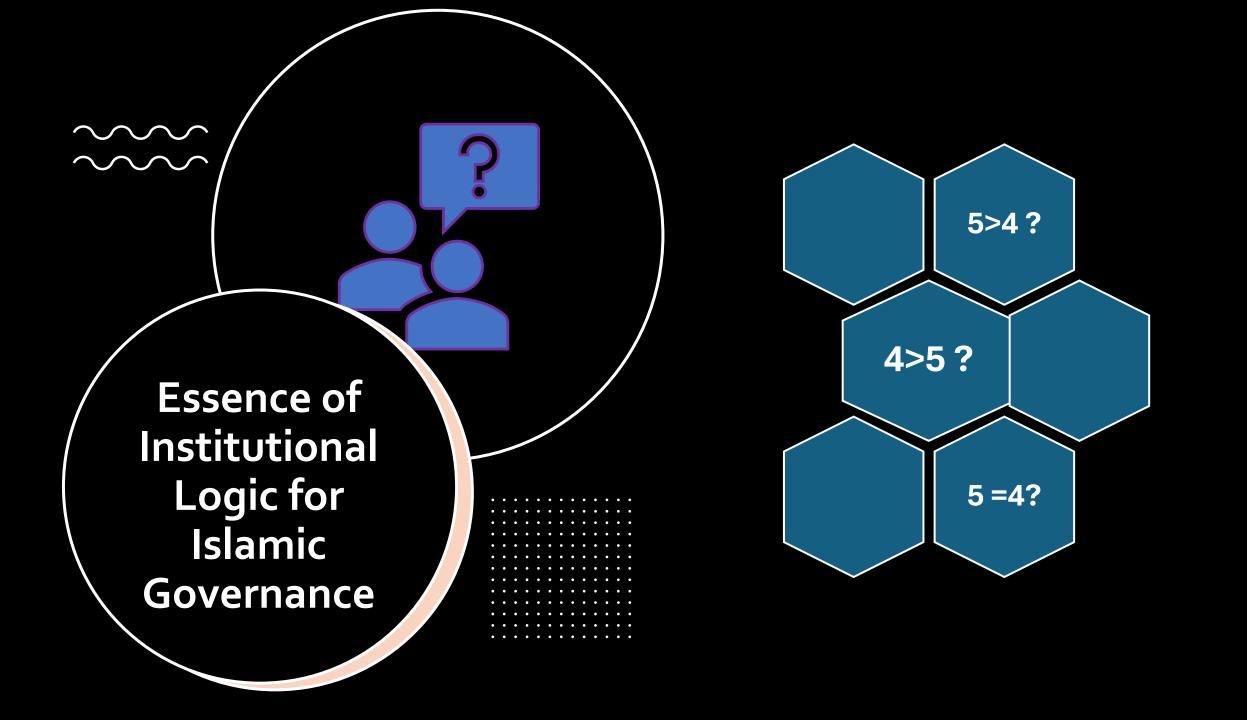


Institutional Logic

"the socially constructed, historical patterns of material practices, assumptions, values, beliefs, and rules by which individuals produce and reproduce their material subsistence, organize time and space, and provide meaning to their social reality" (Thornton and Ocasio, 1999: 804).

Embedded agency assumption:

"the interests, identities, values, and assumptions of individuals and organizations are embedded within prevailing institutional logics" (Thornton and Ocasio, 2008: 103).



Essence of Islamic Ontology for Islamic Governance – Islamic Moral Political Economy

Right or Privilege
Is the legal/regulative/governance base in the contemporary world?

How do we think about the world and the bounties we have around us? Right or Privilege?

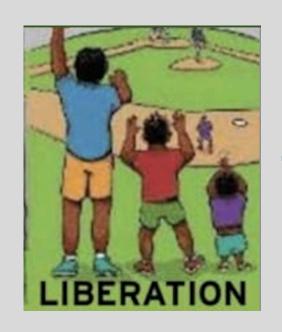




Is the legal/regulative/governance base in the contemporary world?

From Moral and Justice Condition to Dominance

Movement from Equilibrium/Ihsan of Mizan/Balance to Dominance



Justice



Creation – Equal Access to Resources

Mizan and Ihsan Condition Emancipation and Empowerment
Islamic Moral Economy/Iqtisad

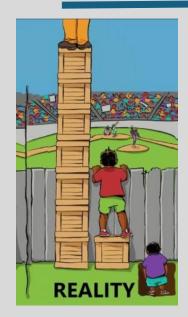
Emergence of Barriers

Disruption of Mizan and Ihsan Condition Emergence of Inequalities **Dominance of Barriers**

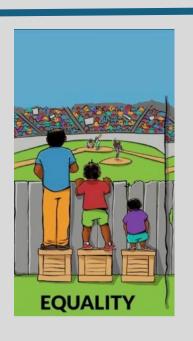
Dominance of Capital Global Hegemony

Emergence of Islamic Moral Economy – Bringing back Moral and Justice Condition

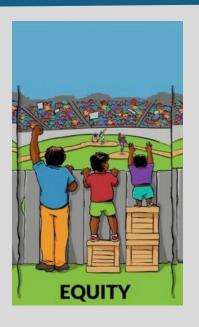
Movement from Dis-Equilibrium and Dominance to Mizan/Balance/Ihsan through Islah



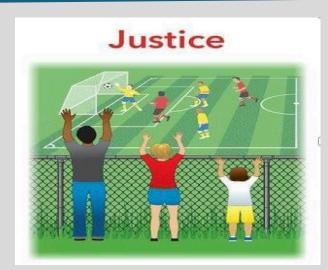
Dominance of Barriers



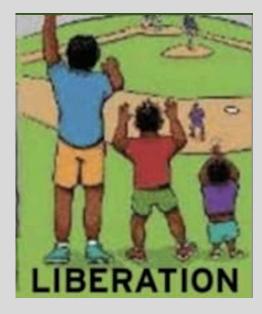
Moderation of Consequences



Moderation of Consequences: Aspirational Islamic Finance



Overcoming the Barriers



Breaking the Barriers

Return to Creation of Equal Access to Resources

Analytical Discourses:

Dominance, Responses & Liberation – Articulation of Love

Islamic moral economy's position:

Emancipation and Empowerment through resource accessibility by ihsani governance



ISLAMIC COGNITIVE SYSTEM
SHAPING THE CONTENTS OF
ISLAMIC GOVERNANCE SYSTEM
THROUGH

ISLAMIC MORAL ECONOMY

_

CONTENTS AND PROCESS

Sustaining Mizan – Falah and Ihsan to Ensure Justice

- The creation by Allah reflects *mizan* or balance/order;
- The universe, world, human, all the creation is in balance within themselves and with their interaction with each other;

Disruption of *mizan* can be achieved through ihsan

Ihsan requires establishing equilibrium

Ihsan is the operational mechanism to maintain mizan or for reaching from distributive state to *mizan* state

Ihsan - as a source of perfection - is a movement towards mizan

The movement is hence defined as development.

The Islamic Moral Economy-

Iqtisad Paradigm

Substantive Morality/Ethics

Iqtisad as an Arabic word comes from the root of 'qasd' and qisd;

- Qasd 'directing towards an objective', 'true path', 'in line with an aim', 'equable' and 'temperate'.
- Qist 'just share' and hence 'justice'.

iqtisad, relates

- 'to giving the right of everything',
- 'to locate everything in its place', and hence
- 'establishing justice'.

Iqtisad aims to maintain the mizan (balance) through ihsan

Iqtisad relates to directing towards an objective:

- emancipation and empowerment
- stakeholding-centred development
- embeddedness in the social formation of the society.

Falah seeking individual through Ihsani society

Iqtisad aims to maintain the mizan (balance) through ihsan

Institutional Logics of Islam for Islamic Governance

Islamic Institutional Logic/Iqtisad Paradigm

Determined by Islamic Ontology with a particular definition of human and their relationship with the larger ecology and ecosystem

- Value-Ethics determines
- Bounded rationality/constrained domain
- Socio-tropic individual with social accountability in the hereafter – falah individual
- Equity
- Extended stakeholder governance/ihsani governance
- Resource accessibility for empowerment and emancipation
- Co-operation

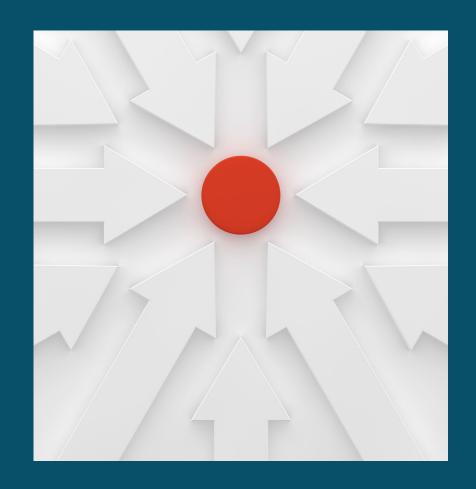
Capitalist Institutional Logic – Neoclassical Paradigm

Determined by Enlightenment ontology, defining humans as homeconomicus:

- Ethics and value-free decision making
- Rational
- Self-maximizing
- Efficiency
- Shareholder value maximisation
- Capital accumulation
- Competition

Examples in the Differences of Institutional Logics: Efficiency Frontier vs Equity Frontier & Price Mechanism

- Capitalism / Market Economy
 - Price determines everything, including resource accessibility
 - Efficiency risk and return
- Islamic Moral Economy
 - "It is not the prices that determine everything, but everything that determines prices" - Bourdieu (2005)
 - Permissibility and resource accessibility are determined by moral ontology
 - Equity and motive



Ontology of Islamic Moral Political Economy Articulation of *Conditions for Islamic Governance*



JUST(ADALAH & IHSAN) (IHSAN AS PARTICIPATIVE VIRTUE)



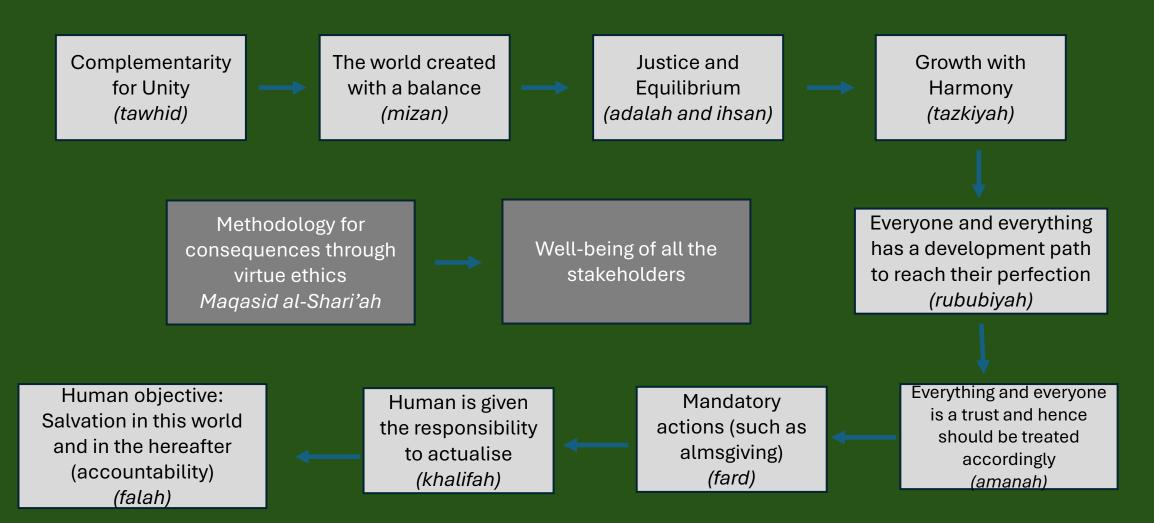
SUSTAINABLE (MIZAN & IHSAN)



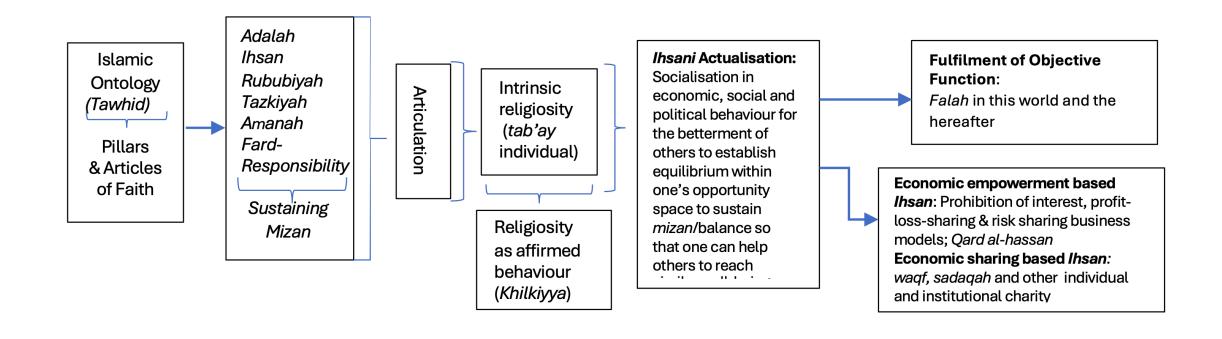
IMPERATIVE
('ISLAH'
OR MELIORATION AND RECLAMATION/

Magasid al-Shari'ah provides the necessary framework to assess the consequences against al-adl wal ihsan

Islamic Moral Economy Paradigm



Articulation of Islamic Governance Al-Wadūd by Khalifah



Maqasid al-Shari'ah

Scope of Maqasid al-Shari'ah

- Expression of consequentialist morality
- Each and every transaction must produce a consequence for the betterment and well-being of all the stakeholders

Al Najjar's Maqasid Dimensions

Maqasid al-Shari'ah	Corollaries
(i) Invigorating the value of human life	
	(a) Faith
	(b) Human rights
(ii) Invigorating the human self	
	(a) Self
	(b) Intellect
(iii) Invigorating society	
	(a) Posterity
	(b) Social entity
(iv) Invigorating the physical environment	t
	(a) Wealth
	(b) Environment (ecology)

Instrumental Ethics vs Substantive Ethics/Morality – Searching for Al Wadood

Moving capital has been humanity's primary concern throughout history

In modern times, with the unbounded rationality of the Enlightenment - the source of capitalism -, ethics/morality, religion, ethics and values are used to ensure profit, efficiency, shareholder value maximisation

Prices determine everything

In embedded moral economies with bounded rationality, capital was not the primary aim; it was directed towards a higher objective (maqasid in Islamic), producing substantive morality as a process and consequence

• "It is not the prices that determine everything, but everything that determines prices" - Bourdieu (2005)

Direction of Causality

EnlightenmentInstrumental Ethics

Unconstrained Worldview

Profit, Efficiency,
Shareholder Value
Maximisation



Religion Ethics Values Islamic
Substantive Ethics

Constrained Worldview

Religion Ethics Values

Profit, Efficiency, Shareholder Value Maximisation

Islamic Governance—Towards a New Equation for Decentring Capital through Substantive Morality

- Interest/Riba prohibition aims to
 - decentring capital
 - Relegate to the same level with other stakeholders
 - Place everything into its right place;
 - Riba should be considered as a political economy tool not an instrumentalised tool for capital movement.

Balance (Mizan)

Justice (Adalah)

Equilibrium (Ihsan)

Vicegerency (Khalifa)

Salvation (Falah)

- Zakat/alms giving is the right of the society requires the initial equation to be changed in *ihsani* society norms so that empowerment and wealth distribution can take place beyond charity;
- As all the resources created by Allah for communal use; through privatisation of their usufruct requires those excluded from the resources to be compensated;
- Universal income approach.

m jun m jul oct m no 95,054 97,511 154,568 99,011 56,845 99,216 158 110,000 101,090 150,000 101,684 ,000 35,000 101,962 83,000 102,74 6,502 45,000

Constituting the Aspects of Islamic Moral Political Economy for the Articulation of Islamic Governance [1]

Sustainability discourse is based on capitalist/neo-liberal institutional logic:

- Linear growth (rather than degrowth/circular)
- Right-based (rather than privilege)
- Time and space (time value of money; time and space as a commodity)

Constituting the Aspects of Islamic Moral Political Economy as an Articulation for Islamic Governance

Re-Considering the Initial Equation/Institutional Logic [1]

- Initial equation how all the stakeholders come together to organise an activity, including economic and financial activity
- The initial equation requires defining
 - Value theory which factor(s) is/are the origin of value creation
 - Modes of production how the stakeholders get together to produce
 - Distribution theory who gets what?

Constituting the Aspects of Islamic Moral Political Economy as an Articulation for Islamic Governance

Re-Considering the Initial Equation/Institutional Logic [2]

(1) Value Theory

• Capitalism - Exchange value \Rightarrow substantiated sustainable

development cannot be

achieved

Marxism – Use value ⇒ substantiated sustainable

development cannot be

achieved

• Islam – Inherent value ⇒ can lead to substantive

sustainable development

Constituting the Aspects of Islamic Moral Political Economy as an Articulation for Islamic Governance

Re-Considering the Initial Equation/ Institutional Logic

(2) Modes of Production

Capitalism

$$Y = AK^{\alpha}L^{1-\alpha}$$
 (L determined by K)

Marxism

$$Y = L^{\alpha}K^{1-\alpha}$$
 (K is communal)

Islamic Moral Political Economy

Y= Human effort, K, Land/Environment, Society, and other stakeholders

each stakeholders entering the equation independently

Constituting the Aspects of Islamic Moral Political Economy as an Articulation Islamic Governance

Re-Considering the Initial Equation/Institutional Logic

(3) Distribution Theory

- Capitalism Capital will receive the return and will determine the return for labour; other stakeholders will not receive anything
- Marxism Labour will receive the return, and the state will appropriate the capital return on behalf of the society - no other stakeholder
- Islamic Moral Political Economy
 - Every stakeholder will receive their return from modes of production;
 - when it is not enough, they will get support from Baitul-mal to ensure a dignified existence.
 - Opportunity space for each stakeholder is, by definition, provided through tazkiyah and rububiyah as tawhid imposed a complementarity rule for unity.

Financial Decision Making – Changing Paradigm

- Capitalist Solution Efficiency Frontier
 - The efficient and most highest return
 - Screening based on financial return

Y=f(Financial Performance)

- Ethical + Effiiciency Solution Stage 1:
 - Financial return subject to
 - Negative Screening (e.g. whether the investment has environmental degradation, human right abuses etc)
- Ethical Solution Stage 2 Equity Frontier Islamic Moral Economy Solution
 - Financial return subject to
 - Positive Screening (e.g. positive impact on the improvement of environmental condition – such as green investment, impact investment etc; prevention of human rights abuses)

Y=f(Financial Performance + Negative Screening + Positive Screening)



Methodology of Islamic Governance for Islamic Finance & Investment Decision Making – Maqasid al-Shari'ah

Methodology of Islamic moral economy for Islamic finance aims to overcome dichotomy between form and substance by combining them within Islamic logic

Islamic Logic Substantive = Morality senised Merket Logic Senised Form 15 (Form) 15 (Form) 15 (Form) 15 (Form) 16 (Form) 16 (Form) 16 (Form) 17 (Form) 18 (Form) 18

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- Maysia

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Medeste et Sperich consequencessubstantive morality of Stan

Emanaipation and
 Empowerment of Furnan and
 Other Stakeholders

Islamic logic therefore can conclude sometimes 4>5, or 4=5 or sometimes 5>4 – but all eventualities are possible as opposed to linear epistemology which suggests always 5>4

Islamic Moral Political Economy - the Motive

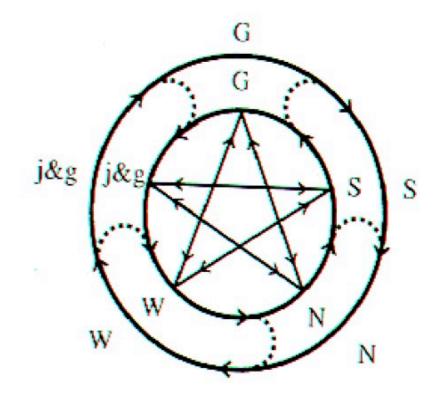
- Rizq beneficence from Allah
- Kasb surplus or accumulation
 - emanates from jāh or hegemony
 - contributes to deep divisions among humans
- Ibn Khaldun alludes to a wider distribution of *jāh* at every level of human association to better distribution of surplus.
- People with less or no jāh are willing to serve those who have it.
 - 'farmers and traders rush to them while they sit in their home without moving an inch, meanwhile their wealth grows, and their accumulation (*kasb*) rises, and their riches are consolidated without effort' (Ibn Khaldūn 2005:260)

Ibn Khaldun's Umran Defining the Motive for Islamic Governance Condition

Ibn Khaldun's (15th century)'s framework provides a summary of the interdisciplinary dynamic model for Islamic socio-economic system:

- "The strength of the sovereign (*al-mulk*) does not become consumed except by implementation of the *Shari ah*;
- The Shari 'ah cannot be implemented except by a sovereign (al-mulk);
- The sovereign cannot gain strength except through the people (al-rijal);
- The people cannot be sustained except by wealth (al-mal);
- Wealth cannot be acquired except through development (al- imarah);
- Development cannot be attained except through justice (al- 'adl);
- Justice is the criterion (al-mizan) by which God will evaluate mankind; and
- The sovereign is charged with the responsibility of actualising justice"

(Chapra, 2000)



G- state; S-institutions; N-population; W-Wealth j&g – development and growth

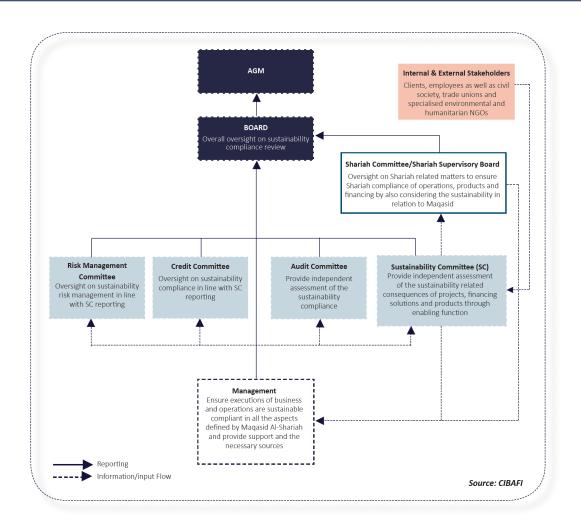
Operationalising Ahlaq within Islamic Moral Economy's Islamic Governance Condition

- Ahlaq as Justice: Fairness & equity
- Ahlaq as Care: Stewardship & sustainability
- Ahlaq as Generosity: Compassion beyond duty
- Ahlaq as Holistic Concern: Well-being of all the stakeholders
- Ahlaq as Solidarity: Mutual support



ISLAMIC FINANCE FUTURES

Ethics and Sustainable Augmented Shari'ah Governance in IFIs



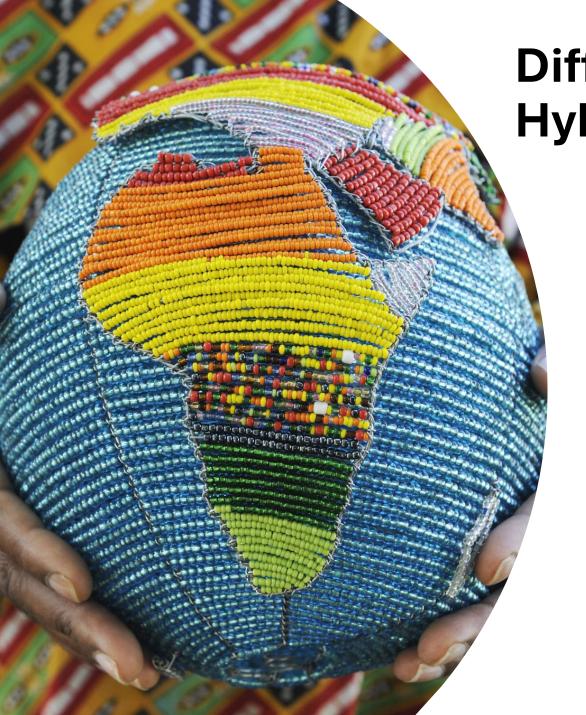
Stakeholder
Interest
Augmented
Islamic
Governance Model

Source: Asutay and Asssouli, CINAFI, 2022



The way forward - Long -run

- Regulative environment paradigm shift
- Prevention of Institutional grafting
- Transformation of the economy towards sustainable and moral consequences oriented moral economy;
- The governance of financial institutions must essentialize ihsani governance or stakeholder governance model so that the rights of all the stakeholders can be essentialized;
- Transformation of political economies in the Muslim world...



Difficulty in Convergence & Hybridity...

"People belonging to ... cultures of hybridity have had to renounce the dream of ambition of rediscovering any kind of 'lost' cultural purity..."

(Hall et al. 1992: 310)







Path to Influential Global Economy

Well-Being and Environmental Strategies: Social Justice and Economic Empowerment

Principles of Environmental Stewardship in Islamic Economics: The Responsibility, Practices, and Initiatives



Friday to Sunday, May 30-June 1, 2025



Istanbul Financial Center (IFC), HALKBANK Building



















Path to Influential Global Economy

Principles of Environmental Stewardship in Islamic Economics: The Responsibility, Practices, and Initiatives

Mr. Mustafa Adil Head of Islamic Finance, London Stock Exchange Group



Friday to Sunday, May 30-June 1, 2025



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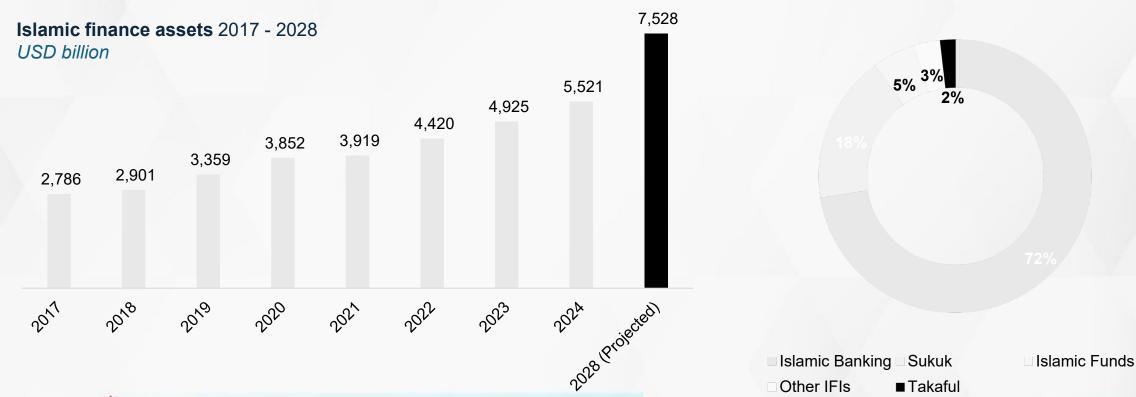
Path to Influential Global Economy

US\$ 5.5 trillion

Total Islamic Finance Assets in 2024

1,981
IF Institutions in over 80 countries

57Countries with IF Regulations

























Path to Influential Global Economy

Strong synergy between Islamic Finance and Sustainability

- Provide an additional layer of governance (Shariah) across all functions
- Promote financial inclusion in an equitable manner to all parties
- Align financing and investing activity with real economic activity
- Avoid speculation, synthetic instruments and harmful industries
- Maintain stability and resilience during times of financial stress



Regulators

Increasingly requiring banks in general and Islamic banks in particular to consider and report on impact of their activities



Shariah Scholars

Increasingly pushing for "positive screening" where the Islamic banks need to consider not only an initiative is shariah compliant but also socially responsible



Investors

Shariah-sensitive investors are increasingly looking at not only the shariah compliance but also the impact of their investments



















Path to Influential Global Economy

3 main types of **Sustainable Sukuk:**

Quick Definition

Relevant ICMA Principles



Green Sukuk

Use of proceeds (UoP) instruments that finance or refinance eligible **Shari'ah-compliant green** projects

Green Bond Principles (GBP)



Social Sukuk

UoP instruments that finance or re-finance eligible **social** projects and that are Shari'ah-compliant

Social Bond Principles (SBP)



Sustainability Sukuk

Proceeds are allocated to a mix of Shari'ah-compliant **green** and **social** projects

Sustainability Bond Guidelines (SBG)

Broader Themes

Transition Finance

Blue Finance

Gender Finance























Path to Influential Global Economy

Eligible proceeds: Green Sukuk

Renewable energy:

production, transmission, appliances and products

Energy efficiency:

- new and refurbished buildings, energy storage
- district heating, smart grids, appliances and products

Pollution prevention and control:

- reduction of air emissions, greenhouse gas control
- soil remediation
- · waste prevention, waste reduction, waste recycling
- energy/emission-efficient waste to energy

Environmentally sustainable management of living natural resources and land use:

- environmentally sustainable agriculture, animal husbandry
- climate smart farm inputs such as biological crop protection or drip-irrigation
- environmentally sustainable fishery and aquaculture, forestry

Terrestrial and aquatic biodiversity conservation:

protection of coastal, marine and watershed environments

Clean transportation:

- electric, hybrid, public, rail, non-motorised, multi-modal transportation
- infrastructure for clean energy vehicles and reduction of harmful emissions

Sustainable water and wastewater management:

- · sustainable infrastructure for clean and/or drinking water
- wastewater treatment
- sustainable urban drainage systems and river training and other forms of flooding mitigation

Climate change adaptation:

- efforts to make infrastructure more resilient to impacts of climate change
- information support systems, such as climate observation and early warning systems

Circular economy adapted products, production technologies and processes:

- design and introduction of reusable, recyclable and refurbished materials, components and products
- circular tools and services & certified eco-efficient products

Green buildings:

buildings that meet regional, national or internationally recognised standards or certifications for environmental performance

























Path to Influential Global Economy

Eligible proceeds: Social Sukuk

Affordable basic infrastructure:

clean drinking water, sewers, sanitation, transport, energy

Access to essential services:

 health, education and vocational training, healthcare, financing and financial services

Affordable housing

 Projects designed to provide housing to unbanked, under-banked, low income and marginalized communities

Employment generation and programs designed to prevent and/or alleviate unemployment:

- projects reducing unemployment from socioeconomic crises, climate transition projects and/or other paths to a "just transition"
- SME financing and microfinance

Food security and sustainable food systems:

- physical, social, and economic access to safe, nutritious, and sufficient food that meets dietary needs and requirements; resilient agricultural practices
- · reduction of food loss and waste
- improved productivity of small-scale producers

Socioeconomic advancement and empowerment:

- equitable access to and control over assets, services, resources, and opportunities
- equitable participation and integration into the market and society, including reduction of income inequality











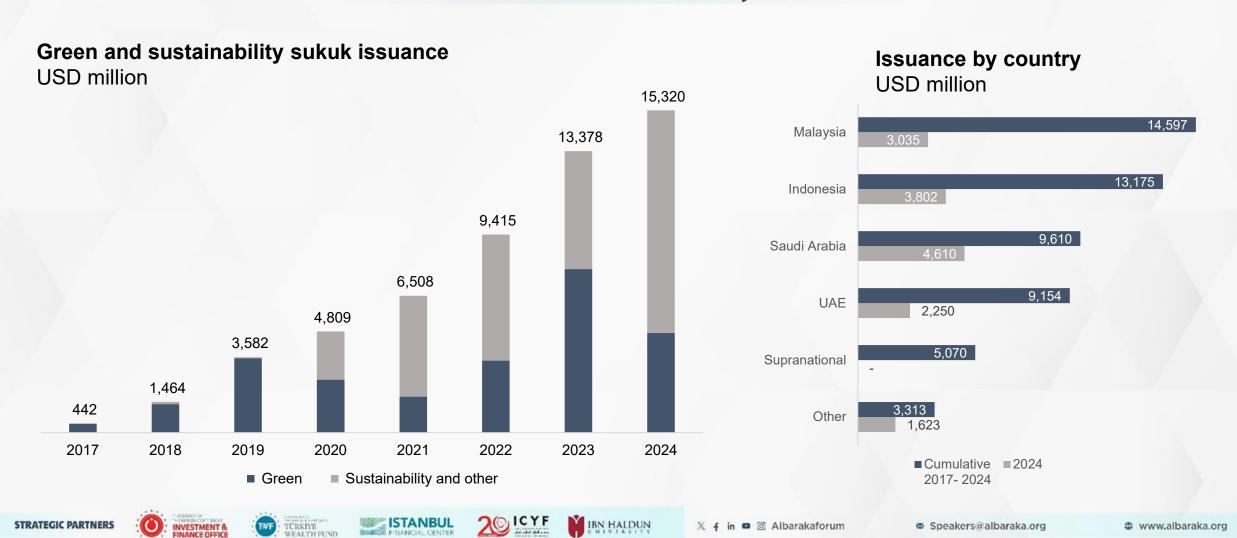








Path to Influential Global Economy



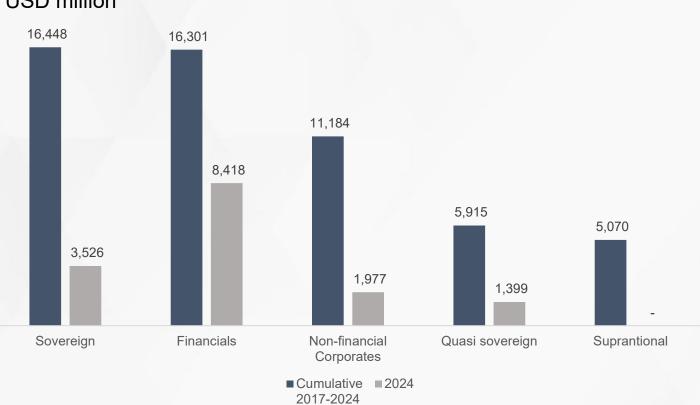






Path to Influential Global Economy

Issuance by issuer type USD million



Issuer	Cumulative issuance
Indonesia Govt`	\$12.9 billion
Malaysia Govt	\$5.1 billion
Islamic Development Bank	\$3.6 billion
Al Rajhi Bank	\$3.3 billion
Dubai Islamic Bank	\$2.8 billion
Saudi Electricity Co.	\$2.5 billion
Majid Al Futtaim Properties	\$1.7 billion
Saudi National Bank	\$1.6 billion
DP World	\$1.5 billion
Riyad Bank	\$1.5 billion

























MALAYSIA

Policies

- Twelfth Malaysia Plan 2021-2025
- SRI Roadmap for the Malaysian Capital Market
- Strategy on Value-based Intermediation (VBI)

Regulations

- SRI Sukuk Framework (2014)
- · Guidance documents on VBI (2018)
- Value-based Intermediation for Takaful (VBIT) Framework (2021)
- SRI-linked Sukuk Framework (2022)
- Guidelines on SRI Funds (2023)

Taxonomy

- Climate Change and Principle-based Taxonomy (CCPT) (2021)
- Principles-Based Sustainable and Responsible Investment Taxonomy for the Malaysian Capital Market (SRI Taxonomy) (2022)

INDONESIA

Policies

- National Long-Term Development Plan of 2005-2025
- Sustainable Finance Roadmap 2021-2025
- Sustainable Finance Umbrella Policy (2017)

Regulations

 Regulation on the Issuance and the Terms of Green Bonds (2017)

Taxonomy

 Indonesian Taxonomy for Sustainable Finance (TKBI) (2024)

ISLAMIC ECONOMICS STRATEGIES:

UAE

Path to Influential Global Economy

Policies

- UAE Sustainable Finance Framework 2021-2031
- SCA Master Plan for Sustainable Capital Markets
- · ADGM Sustainable Finance Agenda
- DFSA Sustainable Finance Roadmap 2021-2024

Regulations

- DFSA Best Practice Guidelines on ESG Bonds (2022)
- SCA Regulatory Framework for Green and Sustainability-Linked Bonds and Sukuk (2023)
- ADGM Sustainable Finance Regulatory



Policy

 Sustainable Banking Strategic Plan 2022-2025

Regulations

 Guidelines on Green and Sustainable Debt Instruments and Lease Certificates (2022)

Taxonomy

National Green Taxonomy (2023)

QATAR

Policy

 ESG and Sustainability Strategy for the Financial Sector

Regulations

 QFC Sustainable Sukuk and Bonds Framework (2022)



PAKISTAN

Regulations

- Green Banking Guidelines (2017)
- SECP national guidelines for green bonds and sukuk (2021)



KUWAIT

Regulations

- Amendments to Module 11 of Capital Markets Law to regulate green, sustainability and social-impact bonds and sukuk (2022)
- CBK Issues a Circular for Local Banks Regarding Sustainable Finance (2022)



OMAN

Regulations

 Green and Sustainable Bonds and Sukuk chapter in Regulations for Bonds and Sukuk (2024)



BANGLADESH

Regulations

 Bangladesh Bank Policy on Green Bond Financing for Banks and Fls (2022)

INTERNATIONAL STANDARDS & TAXONOMIES

International Capital Market Association (ICMA)

- Green Bond Principles
- · Social Bond Principles
- · Sustainability Bond Guidelines
- · Sustainability-Linked Bond Principles
- Guidelines for Sustainability-Linked Loans financing Bonds
- Guidance for Green-Enabling Projects
- Impact Reporting Handbooks
- Climate Transition Finance Handbook
- External Review Guidance
- Guidance on the Issuance of Green, Social, and Sustainability sukuk

Climate Bonds Initiative (CBI)

- Social & Sustainability Bond Dataset Methodology
- Sustainability-linked Bond Dataset Methodology
- Green Bond Dataset Methodology

ASEAN Capital Markets Forum (ACMF)

- · ASEAN Green Bond Standards
- ASEAN Sustainability Bond Standards
- ASEAN Sustainability-linked Bond Standards
- · ASEAN Social Bond Standards
- ASEAN Sustainable and Responsible Fund Standards
- ASEAN Transition Finance Guidance

Taxonomies

- · CBI Climate Bonds Taxonomy
- ASEAN Taxonomy for Sustainable Finance

















www.albaraka.org







Path to Influential Global Economy

ESG Sukuk survey results 2024: demand and supply dynamics

50%

of underwriters and advisers expect a significant increase in demand for green and sustainability sukuk in the next two years

55%

of investors plan to invest in green and sustainability sukuk within the next three years

ESG MANDATES

are the primary motivation for investing in green and sustainability sukuk

More than 45%

of investors cited limited green and sustainability sukuk offerings as the most significant challenge to investing in this market

TOP CRITERIA

for green and sustainability sukuk

- Shariah compliance
- Clear use of proceeds and ESG impact
- Pricing and valuation

63%

of investors have at most a basic understanding of these sukuk and their general principles.

Avg. subscription rate

4.3x

for green and sustainability sukuk

3.1x

for traditional sukuk



















Path to Influential Global Economy

Promote common regional and international standards

- Develop masterplans to develop sustainable Islamic finance markets
- · Introduce regulatory guidelines or frameworks specific to Islamic finance sectors
- Harmonise taxonomy approaches
- Adapt internationally accepted green and sustainability standards
- Standardise ESG disclosure and reporting requirements and mandate **FSG** assurance
- Build issuer awareness and a specialised ESG talent pool

Build capacity and enhance the wider ecosystem

Increase market depth

- Incorporate green and sustainability sukuk and financing in government funding mix
- Offer cost-reduction incentives for issuing green and sustainability sukuk and providing green and sustainability financing
- Establish ESG segments within stock exchanges

Innovation

- Support issuance of transition sukuk and financing
- Introduce blue and nature sukuk and financing
- Use Sukuk-Waqf to fund social finance projects

Expand the investor base beyond traditional sukuk investors

- Offer incentives for investors
- Promote investor awareness and capacity building
- Attract investors with no Shariah compliance mandate





















Path to Influential Global Economy

Appendix – Examples of Sustainable Sukuk



STRATEGIC PARTNERS

















Path to Influential Global Economy

Issuance steps (illustrative)

Pre-Issuance		Post-Issuance
Create a Bond Define and Framework to Finance a Sustainable Bond Categories	Obtain an External Review	Management of Proceeds Allocation and Impact External Reporting Review

Create a Bond Framework:

4 core elements: Use of proceeds, management of proceeds, process for project evaluation & selection, and reporting (allocation & impact reporting)

Define and Confirm Project Categories:

- Eligible categories (see above)
- Disclosure: Market best practice is to also disclose environmental and social objectives and risks to their investors

Obtain an External Review:

- **Recommended:** The Principles recommend that issuers appoint external review provider(s) to assess the alignment of their green, social or sustainability bond, program and/or framework with the four core components of the GBP, SBP and SBG
- **SPO:** The most common approach is to seek a second party opinion (SPO) on the bond framework and make it publicly available on the issuer's website

Management of Proceeds:

- Market practice: Has moved to the simpler tracking of "equivalent amounts" of net proceeds rather than other methods mentioned in the GBP
- Third party verification is crucial: Can be e.g. an external auditor, to verify the internal tracking method and allocation of funds derived from net proceeds

Allocation and Impact Report:

- **Essential** for investors to be informed of the positive outcomes of investments
- **Metrics:** Can find in *ICMA's Harmonised Framework for Impact Reporting*

Obtain an External Review:

- Recommended to verify tracking & allocation of funds to eligible projects
- **Details:** Can find in ICMA's Guidelines for External Reviewers























Path to Influential Global Economy

Islamic Development Bank Sustainability Sukuk

\$2.5 billion green and social wakala-based sukuk issued in 2021

Key Facts

Issuer	ISDB TRUST SERVICES NO.2 SARL (LUXEMBOURG INCORPORATED AND FULLY GUARANTEED BY ISDB)
Obligor	-The Islamic Development Bank
Obligor Sector	-Supranational
Issuance Size	–\$2.5 billion
Sukuk Structure	–Wakala bil istithmar
Tenor	–5 years
Profit Rate	-1.26%
Governing Law	–English Law
SPO	-CICERO

Use of Proceeds

Aim: To finance/refinance new/existing eligible projects in the social (90%) and green (10%) sectors in accordance with IsDB's Sustainable Finance Framework.

Eligible project categories include:

- Clean Transport
- Employment Generation/Alleviate Unemployment
- Pollution Prevention & Control
- Renewable Energy Projects
- Social Housing/ Affordable Housing
- Financing for SME/Microfinance
- Sustainable Management of Land Use
- Sustainable Management of Living Natural Resources
- Affordable Basic Infrastructure
- Sustainable Development Projects
- Sustainable Water or Wastewater management





















Path to Influential Global Economy

Indonesia Government Green Sukuk

\$1 billion sovereign green and blue wakala-based sukuk issued in 2023

Issuer	PERUSAHAAN PENERBIT SURAT BERHARGA SYARIAH NEGARA INDONESIA III (SPV)
Obligor	-Republic of Indonesia
Obligor Sector	-Government
Issuance Size	–\$1 billion
Sukuk Structure	–Wakala bil istithmar
Tenor	-10 years
Profit Rate	-5.6%
Governing Law	–English Law
SPO	-CICERO

Use of Proceeds

Aim: The Republic intends to finance, or re-finance expenditure directly related to Eligible SDGs Expenditures with Green and Blue focus as defined in the Republic's Green Bond & Green Sukuk Framework

Eligible Project categories include:

- Climate Change Adaptation
- Clean Transport
- Energy Efficiency
- Green Construction/Buildings Renewable Energy **Projects**
- Sustainable Management of Land Use
- Sustainable Management of Living Natural Resources
- Sustainable Transport
- Sustainable Water or Wastewater
- Management
- Waste Management





















Path to Influential Global Economy

Saudi Electricity Company Green Sukuk

\$1.2 billion corporate green ijara-murabaha sukuk issued in 2023

Issuer	SAUDI ELECTRICITY SUKUK PROGRAMME COMPANY
Obligor	-Saudi Electricity Company SJSC
Obligor Sector	-Electric Utilities
Issuance Size	-\$1.2 billion
Sukuk Structure	–ljara-Murabaha
Tenor	-10 years
Profit Rate	-4.63% (fixed)
Governing Law	–English Law & Saudi Law
SPO	-Moody's ESG Solutions (Vigeo Eiris)

Use of Proceeds

Aim: To finance projects in line with Issuer's Green Sukuk Framework

Eligible project categories include:

- Energy Efficiency
- Renewable Energy



















Path to Influential Global Economy

FAB Sukuk Company

AED 1.3 billion corporate green wakala-murabaha sukuk issued in 2023

Issuer	FAB SUKUK COMPANY LTD
Obligor	-First Abu Dhabi Bank PJSC
Obligor Sector	-Banking
Issuance Size	–AED 1.3 billion (\$353 million)
Sukuk Structure	–Wakala-Murabaha
Tenor	-3 years
Profit Rate	-4.93%
Governing Law	–English Law and UAE Law
SPO	–ISS ESG

Use of Proceeds

Aim: To fund Eligible Shari'ah compliant Green Projects in line with FABs Sustainable Finance Framework

Eligible project categories include:

- Climate Change Adaptation
- Clean Transport
- Circular Economy Adapted/ Eco-efficient Products
- Production Technologies/Processes
- Energy Efficiency
- Green Construction/Building
- Pollution Prevention & Control
- Renewable Energy Projects
- Sustainable Management of Living Natural Resources
- Sustainable Water or Wastewater management
- Terrestrial Biodiversity Conservation























Path to Influential Global Economy

Tech-Driven Finance: Strategies for Implementing Fintech and Building a Resilient Financial Infrastructure

Mr. Mohamed Roushdy
Chief Information Officer, Reem Finance



Friday to Sunday, May 30-June 1, 2025



Istanbul Financial Center (IFC), HALKBANK Building

















Path to Influential Global Economy

Well-Being and Environmental Strategies: Social Justice and Economic Empowerment

Tech-Driven Finance: Strategies for Implementing Fintech and Building a Resilient Financial Infrastructure



















Path to Influential Global Economy

- Tech is reshaping global economy including Islamic & conventional finance
- Global Fintech Adoption
 - 64% global adoption rate consumers have adopted at least one fintech service
 - 75% payment dominance customers use fintech for payments and money transfers
 - Digital-first approach showcasing the shift to digital transactions in daily financial activities
- Market Size & Projections
 - 2025 Market Value: \$394.88 billion
 - 2032 Target: \$1,126.64 billion
 - Massive expansion nearly 3x growth over 7 years



















Path to Influential Global Economy

Introduction: Why Tech-Driven Finance

Islamic Fintech Explosive Growth

Current Market Size: \$161 billion (2023/24)

Projection: \$306 billion

— Growth Rate: 13.6% CAGR

Industry Players: 490 companies globally (more than doubled from previous levels)

Regional Leadership

- Saudi Arabia ascends to lead Islamic fintech for the first time
- 226+ active fintech companies in 2024 (exceeded interim targets)
- Strategic transformation Kingdom's fintech ecosystem driving regional innovation
- @ Global Fintech adoption rate average: 64%

Turkey: 71%, Saudi Arabia: 75%, UAE: 73%













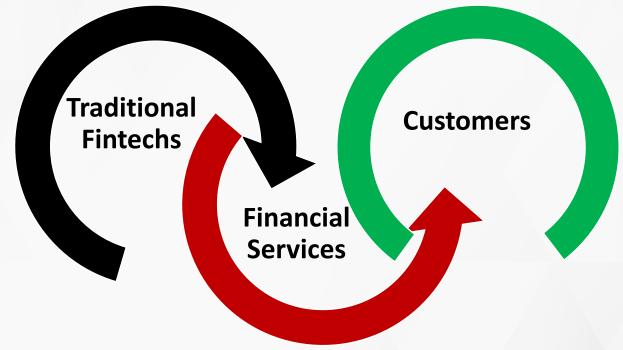






Path to Influential Global Economy

- Need for agility, trust, and customer-centricity
- Fintech ≠ disruption, it's collaboration















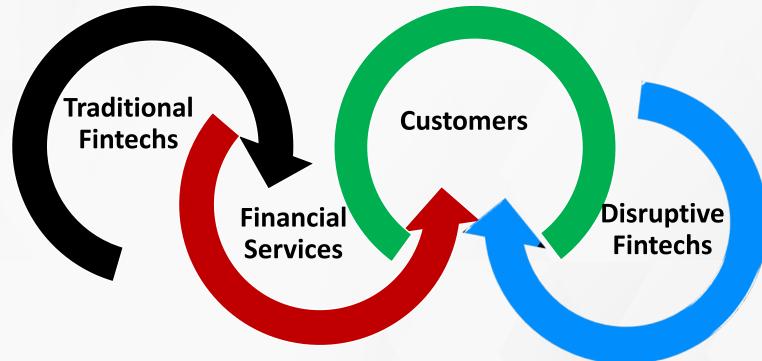






Path to Influential Global Economy

- Need for agility, trust, and customer-centricity
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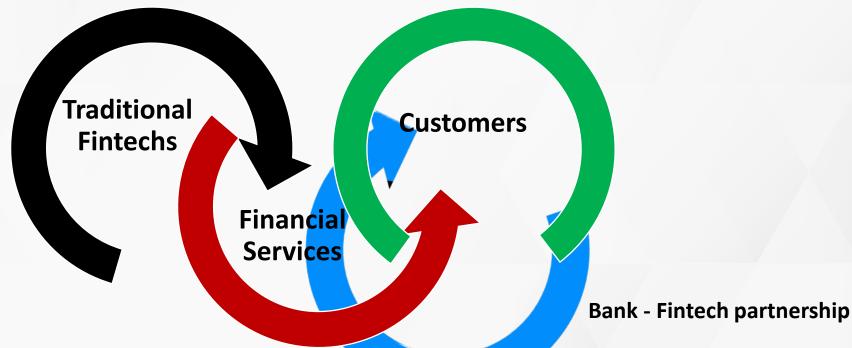






Path to Influential Global Economy

- Need for agility, trust, and customer-centricity
- Fintech ≠ disruption, it's collaboration























Path to Influential Global Economy

Why Fintech?

UNBUNDLING

Horizontal / Vertical















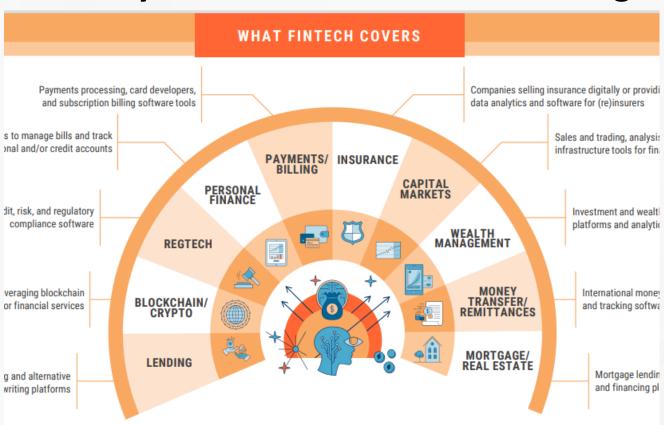






Path to Influential Global Economy

Why Fintech? Horizonal unbuilding



- Disruptive approach
- Unbundled holistic banking into different focused products (Fintechs)

















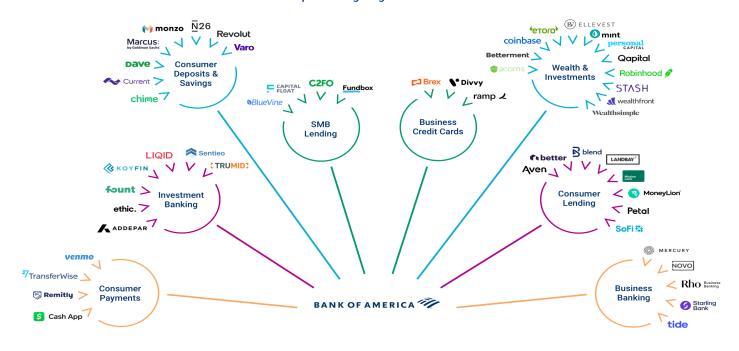


Path to Influential Global Economy

Why Fintech? Horizontal unbundling

UNBUNDLING BANK OF AMERICA

Companies targeting the traditional bank



50+ Fintechs / Neobanks

Source: cbinsights.com























Path to Influential Global Economy

Why Fintech? Vertical unbundling - BaaS

Sales Branches , Digital Channels **Conventional Banking Processing** Core Banking system, Card Management System **Regulatory License Central Bank License Visa / Master Card BIN**















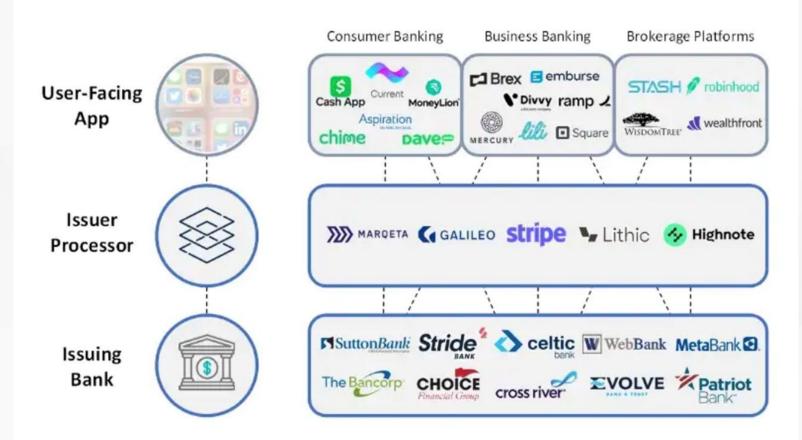






Path to Influential Global Economy

Why Fintech? Vertical unbundling – Card as a Service



















Path to Influential Global Economy

Global & Regional Fintech Trends

- Open Banking, Embedded Finance and Banking as a Service (Baas)
- AI/ML for credit, risk & personalization
- Blockchain for compliance & transparency
- Surge in digital wallets, BNPL, CBDCs and Stable coin.

















Path to Influential Global Economy

Strategic Implementation of Fintechs

Key Enablers:

- **API-first, Cloud-native platforms**
- **Regulatory clarity & sandboxes**
- **Digital-first customer journey**

Challenges:

- Legacy systems & silos
- **Resistance to change**
- **Regulatory fragmentation**

















Path to Influential Global Economy

Strategic Implementation of Fintechs

Key Enablers:

- **API-first, Cloud-native platforms**
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Challenges:

- Legacy systems & silos
- **Resistance to change**
- **Regulatory fragmentation**

















Path to Influential Global Economy

Building Resilient Infrastructure

- **Resilience = Security + Agility + Compliance**
- Modular, scalable core systems (Legacy replacement or modernization)
- **Real-time payments & settlements**
- Al-driven risk & fraud detection
- Data governance & digital identity

















Path to Influential Global Economy

Centralized vs. Decentralized Models

- CBDCs and blockchain offer hybrid models (UAE CBDC, Digital Turkish Lira (CBRT), KSA and UAE Aber Project)
- **Centralization ensures compliance**
- **Decentralization offers transparency**
- Use case-driven adoption is key



















Path to Influential Global Economy

Proposed Framework: Resilience-by-Design

- Embed compliance, security, and observability from Day One
- Design with modularity & scale in mind
- **Data-led decision-making (Data Driven organization)**
- Partner-driven innovation

















Path to Influential Global Economy

Proposed Framework: Resilience-by-Design

- Embed compliance, security, and observability from Day One
- Design with modularity & scale in mind
- **Data-led decision-making (Data Driven organization)**
- Partner-driven innovation

















Path to Influential Global Economy

Conclusion

- "In today's financial Services landscape, resilience is not just about survival— it's about adaptive growth through innovation."
- **Technology must empower finance**
- Partnerships drive real change
- Trust, transparency, and inclusion are non-negotiable

















Path to Influential Global Economy

"If you want to go fast, go alone. If you want to go far, go together." —African Proverb



















Path to Influential Global Economy

Fourth Panel:

Non-profitable and Halal Economic Strategies within the Framework of Islamic Economics



Friday to Sunday, May 30-June 1, 2025



Istanbul Financial Center (IFC), HALKBANK Building



















Path to Influential Global Economy

"Markets and Management: Strategies Towards Activation"

Panel: "Non-profitable and Halal Economic Strategies within the Framework of Islamic Economics".

HAMID JODA: FOUNDER/ CEO TAJBANK



Friday to Sunday, May 30-June 1, 2025



Istanbul Financial Center (IFC), HALKBANK Building

















CONTENT

- 1. Introduction
- 2. Conceptual Foundations
- 3. Key Challenges to Activation Fragmentation
 - 4. Case Studies
 - 5. Roadmap for Policy and Practice
- 6. Conclusion: Toward a Maqasid-Oriented Global Economy



















1. Introduction

Islamic economics envisions a just and ethical system where market operations serve human well-being, social equity, and spiritual fulfillment. However, transforming that vision into global economic influence requires strategic activation of key sectors—particularly the Halal market and non-profit institutions.

This presentation focuses on two key objectives:

- To evaluate the current state of Halal and non-profit markets.
- •To propose actionable strategies for activation and management optimization.



















2. Conceptual Foundations

2.1 The Halal Economy

The Halal economy encompasses food, finance, fashion, tourism, pharmaceuticals, cosmetics, and logistics—anchored in Shariah compliance. It is projected to exceed \$7 trillion globally by 2025.

2.2 Non-Profit Sector in Islamic Finance

Waqf, zakat, sadaqah, and other forms of charitable endowments offer sustainable models of redistribution and development financing. Yet, governance inefficiencies and siloed efforts hinder their potential.





















2.3 Markets and Management in Islamic Ethics

The principles governing markets and management in Islamic economics are rooted in maqasid al-Shariah, which promotes human well-being through the preservation of faith, life, intellect, progeny, and wealth.

A. Ethical Foundations of Markets in Islam

- Halalan Tayyiban: Legally permissible and ethically beneficial products and services.
- Fair Competition and Price Justice: Prohibition of monopolies, price manipulation, and fraud.
- Mutual Consent and Transparency: Informed and voluntary transactions.
- Social Responsibility: Trade as an act of worship when conducted ethically.





















B. Islamic Philosophy of Management

- Amanah: Trust and accountability in resource management.
- Shura: Participatory decision-making and inclusive governance.
- · Adl and Ihsan: Justice and excellence in organizational behavior.
- Tazkiyah: Moral development and integrity.

C. Institutional Implications

- Governance Structures: Transparent, decentralized, and service-oriented.
- Performance Metrics: Success measured by magasid fulfillment and social impact.
- Talent Development: Combining technical skills with ethical leadership.

D. Strategic Relevance

 Ethical branding and sustainable practices create competitive advantages in Halal and non-profit sectors.





















3. Key Challenges to Activation Fragmentation:

Lack of integration across zakat, waqf, and Halal institutions. Management Weaknesses: Poor governance and inefficient resource use. Informal Markets: Lack of standards and regulatory oversight in Halal sectors.

4. Strategic Activation Framework

4.1 Institutional Integration and Ecosystem Thinking

Unified digital platforms linking donors, Halal SMEs, and regulators. Public-Private Partnerships (PPPs) to coordinate efforts. Waqf-based venture capital for Halal business funding.





















4.2 Professionalization of Non-Profit Management

- Islamic social enterprise models for sustainability.
- Fintech and blockchain for transparency.
- Executive education in Islamic non-profit leadership.

4.3 Global Halal Standards and Market Expansion

- Harmonized certification schemes via OIC and SMIIC.
- Ethical branding to promote Halal beyond Muslim markets.
- Digital B2B platforms for Halal product trade.



















5. Case Studies

5.1 Global Sadaqah Platform (Malaysia)

An integrated digital charity platform that pools donations, crowdfunds social enterprises, and uses real-time impact metrics.

5.2 Indonesia's Halal Park

A government-backed ecosystem supporting Halal startups, supply chains, and fintech in collaboration with Islamic finance institutions.

5.3 Awqaf South Africa

Revitalization of waqf through structured real estate and SME investments, enhancing income generation and social spending.



















6. Roadmap for Policy and Practice

1. Governments and Regulators

Modernize waqf laws; incentivize Halal startups.

2. Financial Institutions

Develop Shariah-compliant microfinance; waqf-linked sukuk.

3. Civil Society and Academia

•Islamic impact measurement models; ethical entrepreneurship training.





















7. Conclusion: Toward a Magasid-Oriented Global Economy

By aligning strategy, governance, and ethics, we can elevate Islamic economic practices to exert meaningful global influence. The activation of Halal and non-profit markets must be rooted in Islamic values, offering the world a purpose-driven economic alternative.

THANK YOU



















Path to Influential Global Economy

NON-PROFITABLE AND HALAL ECONOMIC STRATEGIES WITHIN THE FRAMEWORK OF ISLAMIC ECONOMICS

Dr Moutaz Abojeib Director, IFAAS | AAOIFI Fintech Working Group Member



Friday to Sunday, May 30-June 1, 2025





















If we're not on the right path, optimizing the journey won't take us where we need to go.

The Islamic Economic Model

- A cohesive system, not isolated tools.
 Each institution addresses a specific socioeconomic need.
- Waqf may play a central role—funding longterm services like education and healthcare.
- Like interlocking gears: remove one, and the system falters
 - → injustice, inefficiency, exclusion.





















The Path to Sustainable Progress

But institutions alone are not enough.

• We also need a supportive **ecosystem**—the roots that enable the model to function, grow, and scale.

ISLAMIC FINANCE STRATEGIC MAPPING FRAMEWORK (IF-MAP)

IFAAS























True progress demands both







Functional Institutions

Enabling Ecosystem

Strategically integrated for sustainable and inclusive development.

To achieve this, we need a **comprehensive national plan**—

- Evidence-based, informed by real gaps, needs, and priorities
- Strategic in design
- **Integrated** across sectors
- **Balanced** in deploying commercial, waqf, and social finance
- **Purposeful**, with each component playing its role in the wider ecosystem



STRATEGIC PARTNERS

















THANK YOU FOR YOUR TIME



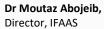


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Path to Influential Global Economy

Systemic Integrity in Halal Economics - A Call for Unified Strategies

Mahmoud Tatari

























Path to Influential Global Economy

- The role of Islamic economy serving a value-driven Muslim society
- Ensuring the deliverance of Amanah across the entire ecosystem
- Promoting trust, credibility, and confidence in the Halal economy through a systemic integrity approach
- Mechanisms fostering broad recognition of the Halal-Tayyib system and propelling our societies towards excellence and best practices.











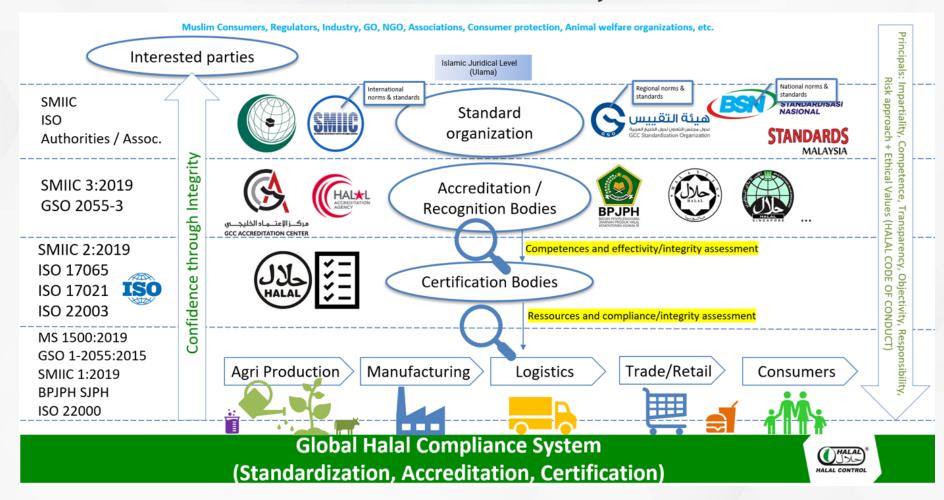








Path to Influential Global Economy





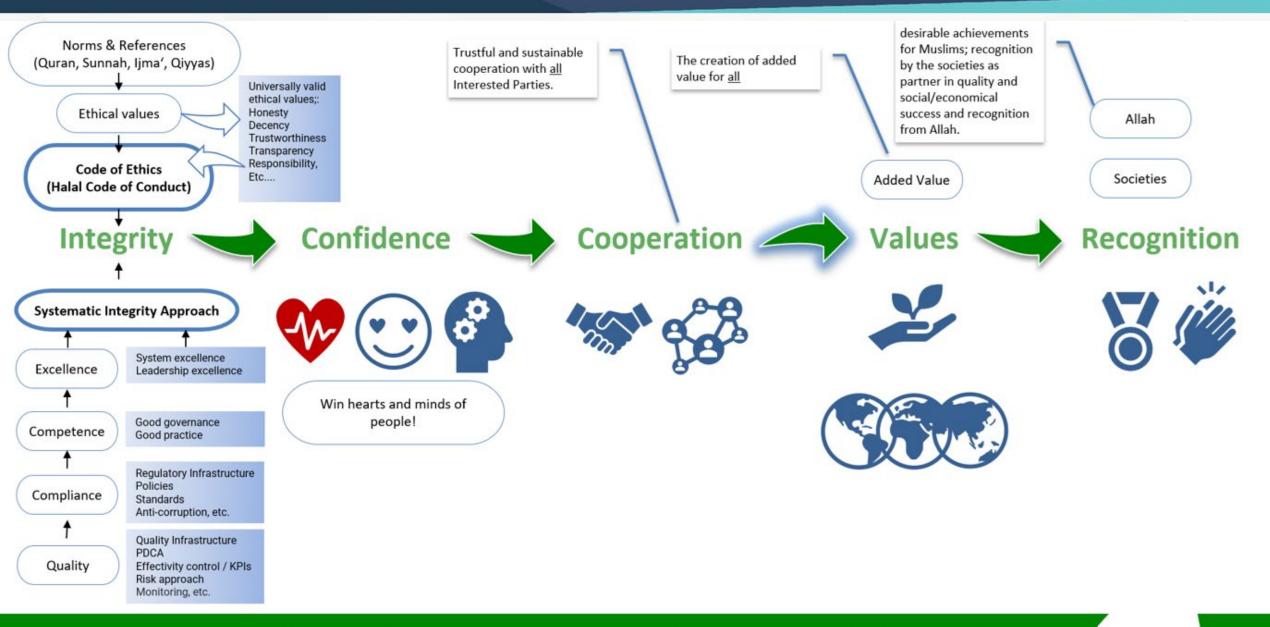












Confidence through Integrity. A Global Strategic Approach.









Path to Influential Global Economy

شُونَةُ المِثَلِثَ

ٱلَّذِي خَلَقَ ٱلْمَوْتَ وَٱلْحَيَوْةَ لِيَبْلُوكُمْ أَيُّكُمْ أَصُّكُمْ أَصُّكُمْ وَهُو ٱلْعَزِيزُ ٱلْعَفُورُ اللَّ

who created death and life to test you [people] and reveal which of you does best—He is the Mighty, the Forgiving; (67:2)

Purpose: Allah (swt) tests us on our best practices







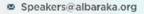


















Path to Influential Global Economy

Vision

To become a Global Muslim Community of Excellence (GMCE)

Mission

...to continuously deliver added value for everyone.

(global society at large)

Vision and Mission







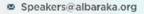


















Path to Influential Global Economy

- IIFA to issue two directives (integration of A. Quality Systems and B. Code of Ethics)
- Global Halal Strategy Confidence through Integrity. (Leadership)
 - Strategical: Organizational approach on excellence and best practices
 - Establishment of Halal Leadership Excellence Centers
- Establishment of National Centers for Quality Assurance
- Establishment of a Global Corruption Index System (GCSI)
- Establishment of a Global Halal Watch
- Global Halal Integrity Network (Open Quality Group) 6.
- Establishment of a Permanent Global Halal Integrity Forum
- **Unity** in the compliance system; to bring halal to the same levels of compliance in the mainstream segment 8.

Roadmap & Goals























Path to Influential Global Economy

Thank you!









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info@halalcontrol.de Web: www.halalcontrol.de





















Path to Influential Global Economy

Public Workshop Strategies of Islamic Entrepreneurship and Startups for Sustained Success

























Path to Influential Global Economy

Strategies of Islamic Entrepreneurship and Start-ups for Sustained Success

Dr. Wael El-Desouki

Secretary General, Saleh Kamel Sustainable Entrepreneurship and Enterprise Development Organization (SKSEED)



Friday to Sunday, May 30-June 1, 2025





















Path to Influential Global Economy

Strategies of Islamic Entrepreneurship and Start-ups for Sustained Success



Friday to Sunday, May 30-June 1, 2025





















Wael Eldesouki Bedda, PhD

Secretary General, **SKSEED** (Saleh Kamel Sustainable Entrepreneurship & Enterprise Development) Organization

Affiliated with the Islamic Chamber of Commerce and Development





















Islamic Entrepreneurship

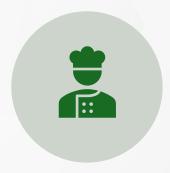


ALL INDUSTRIES (20+ INDUSTRY)



SHARIAH COMPLIANT BUSINESSES

(FINANCING, FINTECH, INSURTECH, ETC.)



HALAL - PRENEURSHIP



STRATEGIC PARTNERS

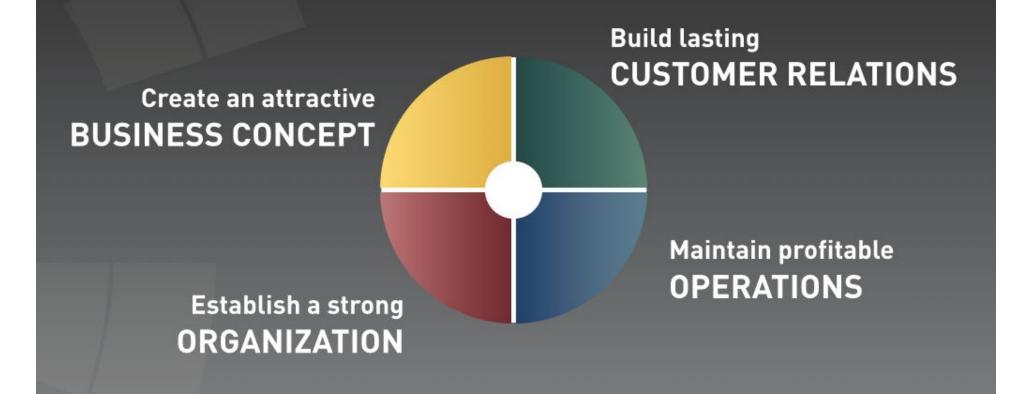












GrowthWheel Corner Stones
The four challenges of building and growing a business

BUSINESS CONCEPT

Business Idea

Product Portfolio

Revenue Model

Customer Portfolio

Market Position

Make something great
An attractive business concept





Product Portfolio

What are customers buying?

Revenue model

What are customers paying?

Mission. Vision. Story. Values. Potential

Products. Services. Quality. Value. Innovation

Revenue sources. Pricing. Price variations. Adjustments. Discounts



Customer Portfolio

Who are the customers?



Market position

Who is the competition?

Segments. Personas. Customization. Target customers. Pipeline

Competitors. Market players. Research. Position. Trends

BUSINESS CONCEPT



- Niyyah (intention) matters
- Avoid Haram Businesses: alcohol, gambling, conventional finance,
- not just profit, but purpose.

Mission. Vision. Story. Values. Potential



Product Portfolio What are customers buying?

- Haram ingredients(e.g., pork gelatin, alcohol)
- Violate Islamic ethics
 (e.g., dating apps, lottery games)
- Deceptive packaging (ghish)

Products. Services. Quality. Value. Innovation



Revenue model

What are customers paying?

- **Unjust pricing** practices
- deceptive income streams:
- Fraudulent discounts/hidden charges
- Monopoly abuse

Revenue sources. Pricing.
Price variations. Adjustments. Discounts



Customer Portfolio

Who are the customers?

- Targeting unethical personas (e.g., alcohol dealers, adult service providers)
- Not just market fit, but ummah fit.



Market position

Who is the competition?

- Competitive advantage through deception, backbiting/defamation
- Market research using spyware

Competitors. Market players. Research. Position. Trends

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Islamic Considerations to Business Concept BUSINESS CONCEPT



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vices. Quality.



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Deceptive packaging (ghish)

Products, Services, Quality, Value, Innovation

deception,

spywa

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Competitors. Market players. Resear



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Mission. Vision. Story. Values. Potential



Product Portfolio What are customers buying?

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- (e.g., dating apps, lottery games)
- Deceptive packaging/misreprese (prohibited under ghish)

Products. Services. Quality. Value. Innovation



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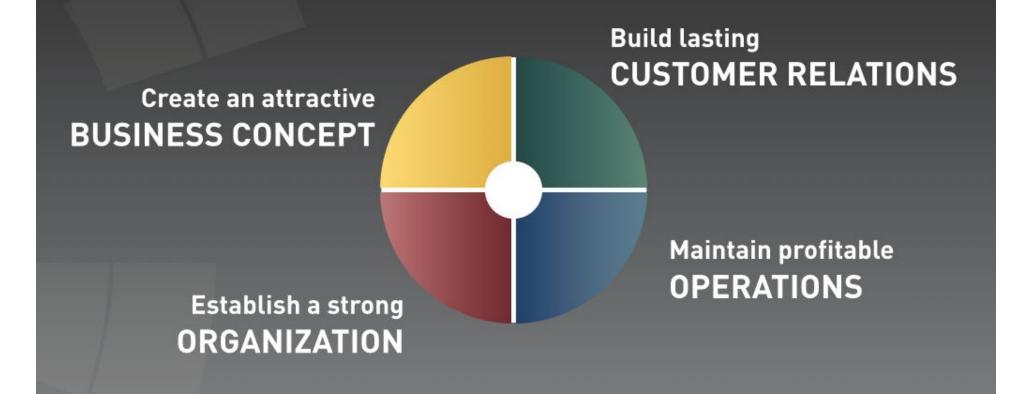


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Competitors. Market players. Research. Position. Trends



GrowthWheel Corner Stones
The four challenges of building and growing a business



Find the team
A strong organization



Ownership & Board Who leads the company?



EmployeesWho works at the company?



PartnershipsWho are the partners?

Ownership. Investors. Leadership team. Board. Exit Org chart. Recruiting. Responsibilities. Training. Retention Stakeholders. Business partners. Suppliers. Channels. Service providers



Business ProcessesHow is the company working?



Legal issuesWhat is the legal foundation?

Processes. Workflows documentation. Outsourcing. Productivity

Incorporation. Compliance. Contracts. IP rights. Terms of service



Use Islamic models: Musharakah (equity partnership) or Mudarabah (capital-labor partnership)

- Shariah governance (Audit) body إدارة شرعية لمراجعة عمليات, لجنة او هيئة شرعية
- **Transparency** in equity distribution

Ownership. Investors. Leadership team. Board. Exit



Employees Who works at the company?

- Ethical HR practices: favoritism, discrimination
- Clear contracts or fair wages

Org chart. Recruiting. Responsibilities. Training. Retention



Partnerships Who are the partners?

- Avoid partnerships with haramrelated businesses (e.g., alcohol producers)
- Avoid Gharar
 e.g., vague equity promises & roles
- Seek value-aligned investors

Stakeholders. Business partners. Suppliers. Channels. Service providers



- Processes involving Riba, or deception
- Using unethical software/tools
 (e.g., tracking user behavior secretly)

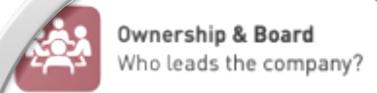


 Shariah-compliant contracts, not containing Riba, Gharar, or unjust penalty clauses, prohibited clauses like interest-bearing loans)

Islamic Considerations to Organization of Business

Processes. Workflows documentation. Outsourcing. Productivity

Incorporation. Compliance. Contracts. IP rights. Terms of service



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Legal issues

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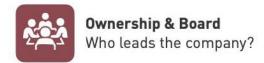
what is the leg

- Shariah-compliant contractor or unjust penalty clauses
- Contracts must exclude prohibit (e.g., interest-bearing loans)

Riba, Gharar,

Processes. Workflows documentation. Outsourcing. Productivity

Incorporation, Compliance, Contracts, IP rights.



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partners.

Org chart. F Responsibilities



Legal issues

What is the legal foundation?



Business Processes

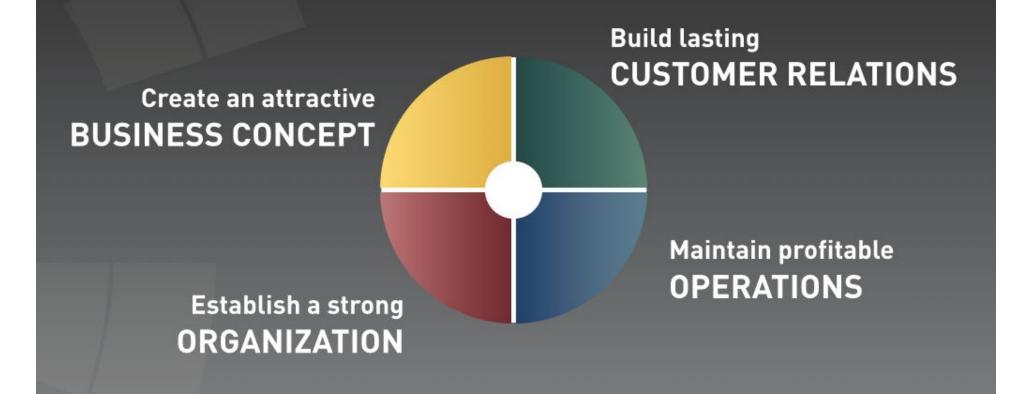
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Processes. Workflows documentation. Outsourcing. Productivity

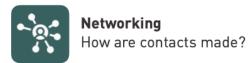
of service



GrowthWheel Corner Stones
The four challenges of building and growing a business



Build trust Lasting customer relations





MarketingHow is marketing done?



Sales & Service
How is the company selling?

Events. Conferences. Memberships. Communities. Referrals

Message. Materials. Campaigns. Dialogue. Surveys Customer journey. Pipeline. Quoting. Negotiation. Customer service



Communication and PR

How is the company using media?



BrandingWhat is the company brand?

Media channels. Social media content. Platforms. Publishing

Naming. Visual identity. Tone of voice. Brand loyalty. Credentials

CUSTOMER RELATIONS



- Engaging in Shariah-inappropriate events (e.g., alcohol)
- Engaging in immoral or discriminatory networks

Events. Conferences. Memberships. Communities. Referrals



- **Deceptive advertising** (ghish): overpromising, exaggerated claims
- Promoting haram products or services
- Unethical psychological manipulation
- Immodesty-promoting Marketing campaigns (tabarruj)

Message. Materials. Campaigns.
Dialogue. Surveys



Sales & Service

How is the company selling?

- Unethical negotiation: hiding fees, coercive upselling
- Unfair contractual terms or warranty clauses

Customer journey. Pipeline. Quoting. Negotiation. Customer service



Communication and PR

How is the company using media?

- Indecent content
- Media partnerships with unethical platforms

Media channels. Social media content. Platforms. Publishing



Branding

What is the company brand?

Names, logos or taglines with inappropriate double meanings

Naming, Visual identity, Tone of voice, Brand loyalty, Credentials

Islamic Considerations to Customer Relations

CUSTOMER RELATIONS



- Engaging in Shariah-inappro events (e.g., alcohol)
- Engaging in immoral or disc networks

Events, Conferences, Membe



Marketing

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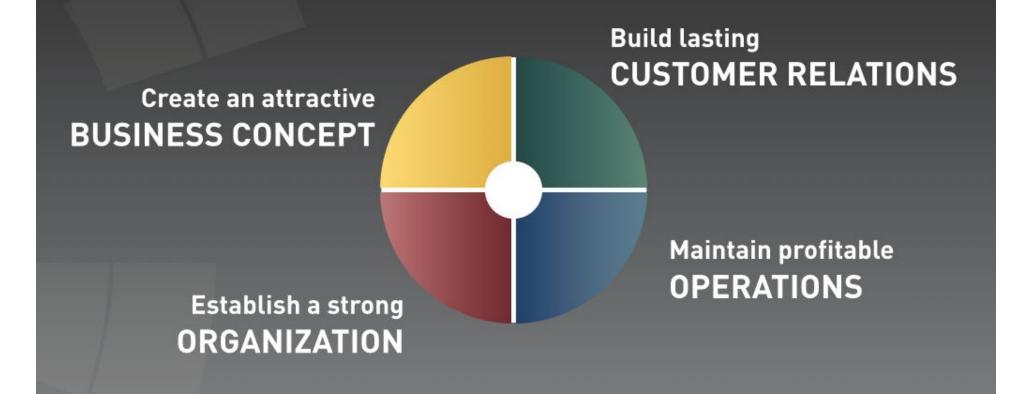
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...eanings

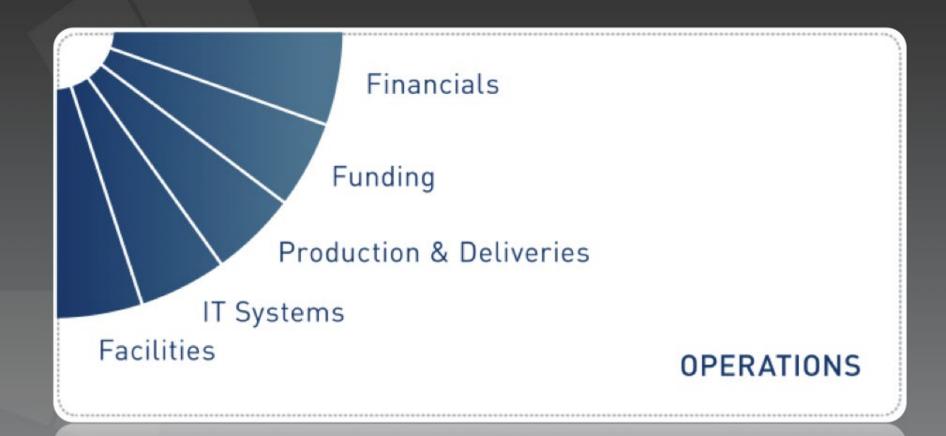
Media channels. Social media content. Platforms. Publishing

Naming, Visual identity, Tone of voice, Brand loyalty, Credentials

CUSTOMER RELATIONS



GrowthWheel Corner Stones
The four challenges of building and growing a business



Making Money
Profitable operations



Financials

How is money made?

Accounting. Sales forecasting. Cost budgeting. Cash flow. Metrics



Funding

How is the business financed?



Production and Deliveries

How is the company producing?

Loans. Equity. Investments. Lender relations. Risks Capacity. Systems. Logistics. Improvements. Waste management



IT-systems

What technologies are used?



Facilities

Which facilities are used?

Infrastructure. Applications. Automation. Digital assets. Security

Location. Equipment. Inventory. Maintenance. Scalability



Financials

How is money made?

- Income derived from haram sources (e.g., interest, loans as revenue)
- Ignoring Zakat
- Delayed payments

Accounting. Sales forecasting. Cost budgeting. Cash flow. Metrics



Funding

How is the business financed?

- Riba-based investment
- Venture capital with non-shariah compliant clauses
- Ambiguous investment terms (Gharar)
- Unethical Contract and term sheet, (convertible notes)

Loans. Equity. Investments. Lender relations. Risks



Production and Deliveries

How is the company producing?

- Haram ingredients
- Halal logistics and supply chain

Capacity. Systems. Logistics. Improvements. Waste management



IT-systems

What technologies are used?

- Unethical tracking, manipulation software
- Breaching Data privacy and consent



Facilities

Which facilities are used?

(e.g., providing **prayer space**)

Infrastructure. Applications. Automation. Digital assets. Security

Location. Equipment. Inventory. Maintenance. Scalability



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Accounting. Sales forecasting. budgeting. Cash flow. Met



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Facilities

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Infrastructure. Applications. Automation. Digital assets. Security

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Financials

How is money made?

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- Delayed payments

Accounting. Sales forecasting. Cost budgeting. Cash flow. Metric.



Funding

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Facilities

Which facilities are used?

(e.g., prayer space)

Location. Equipment. Inventory. Maintenance. Scalability

castructure. Applications. Automation. Digi











Profit Share



Murabaha

Cost Plus

There is always a "Halal" way for Funding



Istisna'

Custom Order



Ijara

Asset Lease



Musharakah

Joint Venture



Salam

Advance
Purchase (i.e.
agriculture
use)



Istijrar:

Repeat Supply













Thank You

bedda@skseed.org



Wael Eldesouki Bedda

Secretary General, SKSEED Entrepreneurship Org. | PhD in Entre...









ISLAMIC ECONOMICS STRATEGIES:

Path to Influential Global Economy

Day 3 – Sunday 1 June, 2025







Istanbul Financial Center (IFC), HALKBANK Building



















ISLAMIC ECONOMICS STRATEGIES:

Path to Influential Global Economy

Fifth Panel:

The Dynamics of Communication and Marketing for Islamic Economics Tools and Institutions.







Istanbul Financial Center (IFC), HALKBANK Building















العالم لا يحتاج إلى مصرف آخر، وإنما الطريق الأمثل للعمل المصرفي.

The world doesn't need another bank.

Just a better way to bank.



The world doesn't need just another story about Islamic finance and economy - it needs a better one.	

♠ > Business > Economy

ECB set to cut interest rates as insurance against trade tariffs



Copyright Boris Roessler/dpa/dpa via AP

By Piero Cingari

Published on 16/04/2025 - 11:37 GMT+2



News

Opinion

Sport

Culture

Lifestyle

Business **Economics** Banking Money Markets Project Syndicate B2B Retail

Interest rates

Bank of England poised to cut rates as fears grow over impact of Trump tariffs

Markets suggest quarter-point reduction to 4.25% is almost certain but some economists say Bank must go further



Governor Christopher Waller warns that should Trump resume steep duties growth will 'slow to a crawl'



Christopher Waller: 'While I expect the inflationary effects of higher tariffs to be temporary, their effects on output and employment could be longer-lasting' © Al Drago/Bloomberg



Reuters

Turkey's Erdogan repeats opposition to interest rates, but says economic plan to continue

By Reuters

May 30, 2025 4:42 PM GMT+3 · Updated a day ago









Turkish President Tayyip Erdogan address Soyturk/File Photo Purchase Licensing F

ANKARA, May 30 (Reuters) - 1

"enemy" of interest rates, said work must be done to change and find alternatives to what he called an interest rates-based economic system, and added such a system cannot be viewed as legitimate.

"I have always opposed the distorted system that deepens inequalities, disrupts income justice, and turns billions of people into the slaves of a handful of capitalists. I oppose it again. I have often said that, no matter what, we cannot view as legitimate interest rates and an economic system based on interest rates," Erdogan said.

Bloomberg

Subscribe

Economics

Erdogan Backs Turkey Economy Plan But Repeats Distaste for Rates















Recep Tayyip Erdogan Photographer: Alessia Pierdomenico/Bloomberg

By Beril Akman and Firat Kozok

May 30, 2025 at 5:40 PM GMT+3

Relentless negative attacks





THE DEBATE:

RDOGAN'S





TLDR EXPLAINS







TLDR News EU



371K views • 1 year ago

Turkey is a country with a number of problems at the









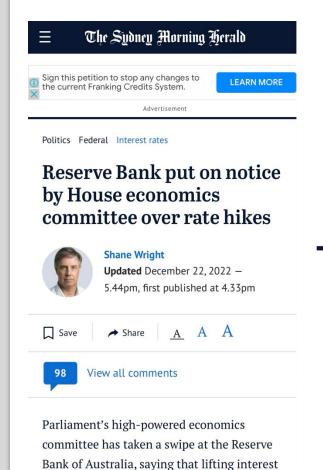


Pres. Erdogan's nutty economic ideas have destroyed the value of the Turkish lira. According to my calculations, the lira has lost ~59% of its value against the USD since January 1, 2021. With Pres. Erdogan at the helm, the lira has sunk like a stone.









rates could be the wrong response to inflation

that is being driven by international supplychain factors, and risked harming Australian

households.

But it went on to warn the bank that inflation driven by supply chain issues were unlikely to respond to a sharp increase in interest rates.

"The committee appreciates that inflationary pressures have been driven by both supply side constraints as well as strong domestic demand," it said.





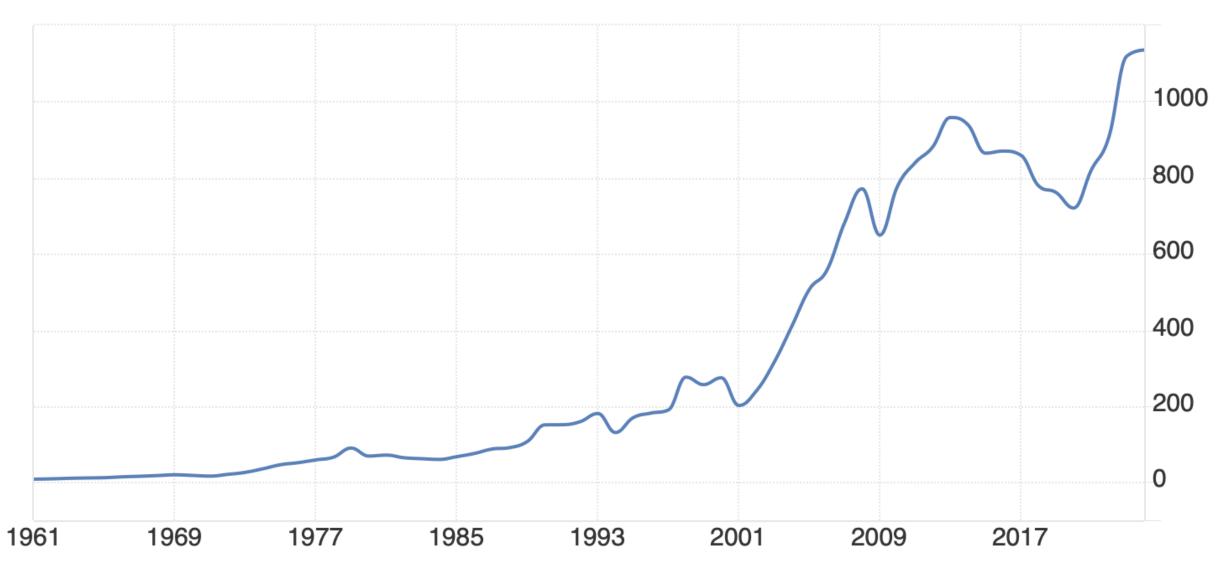


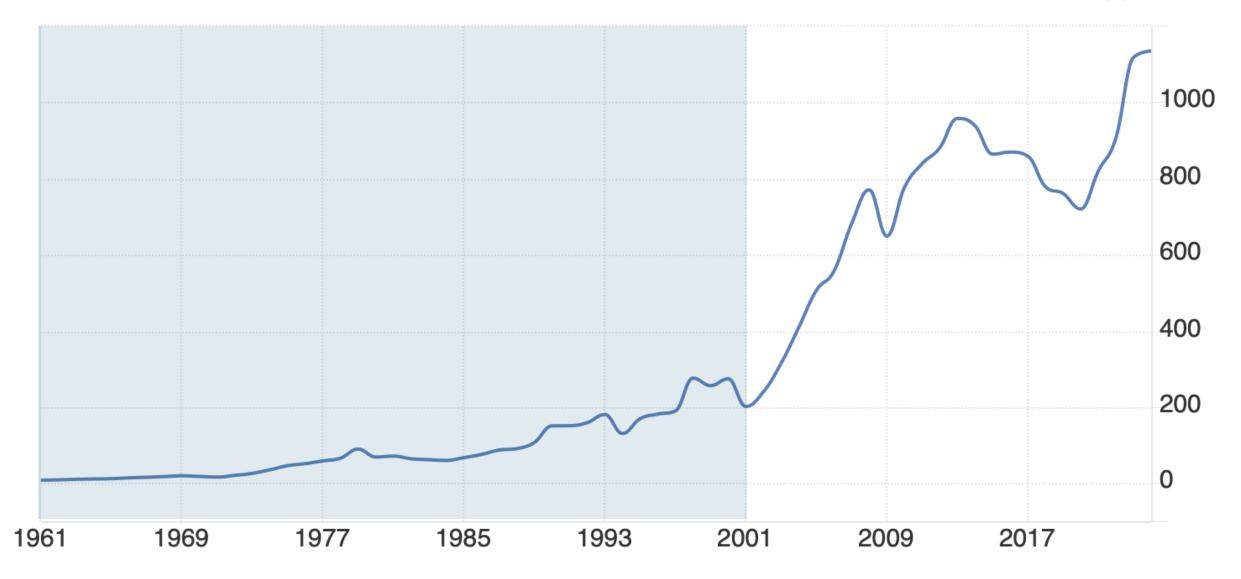
Why documentary?

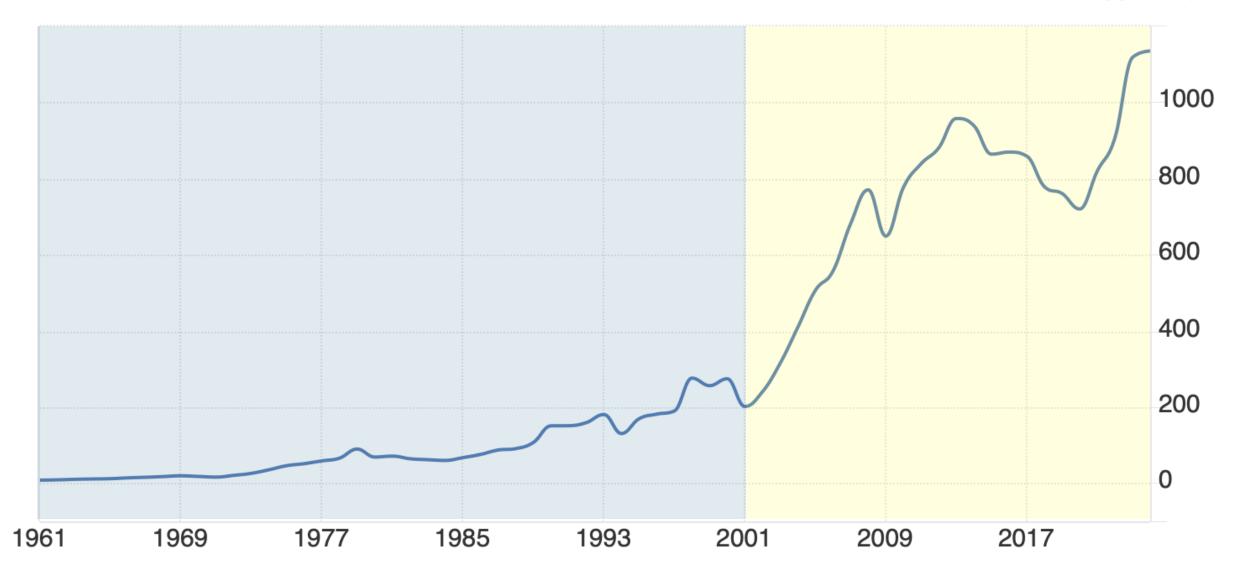


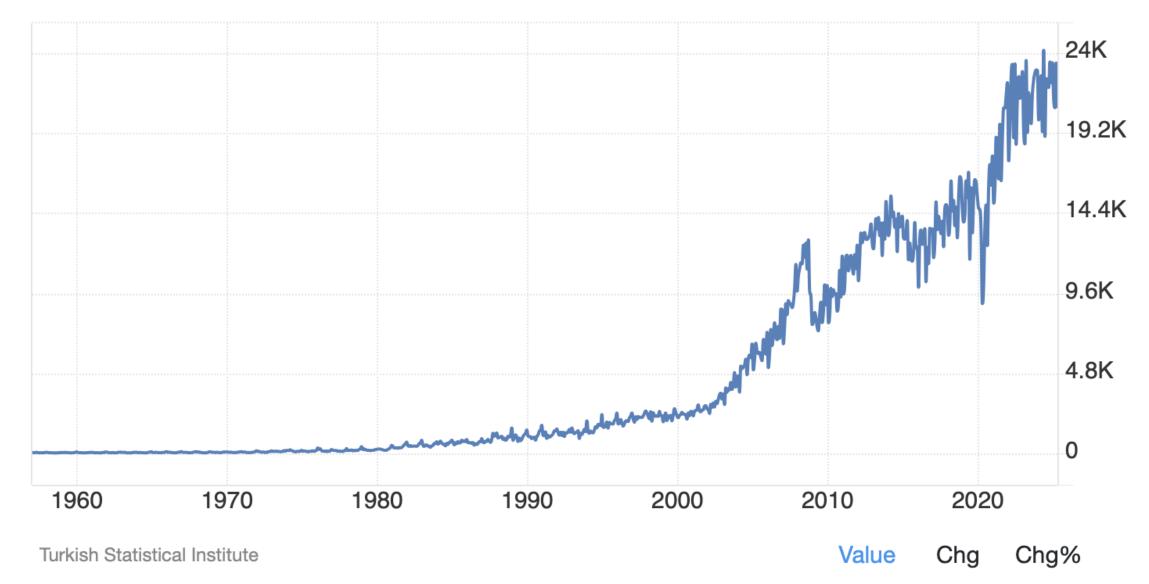
• To tell a story, beyond numbers



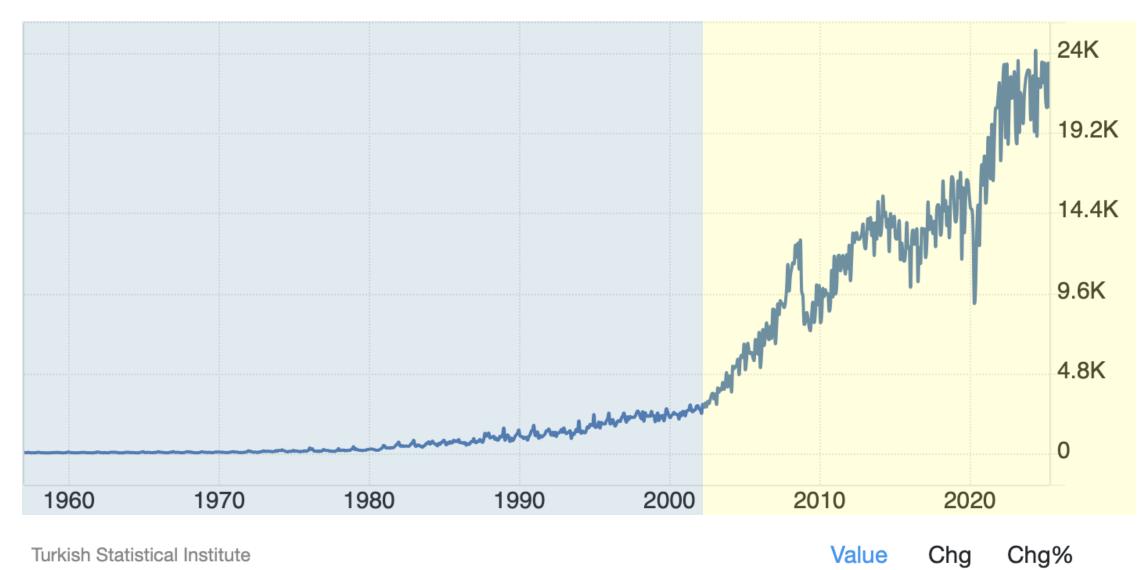








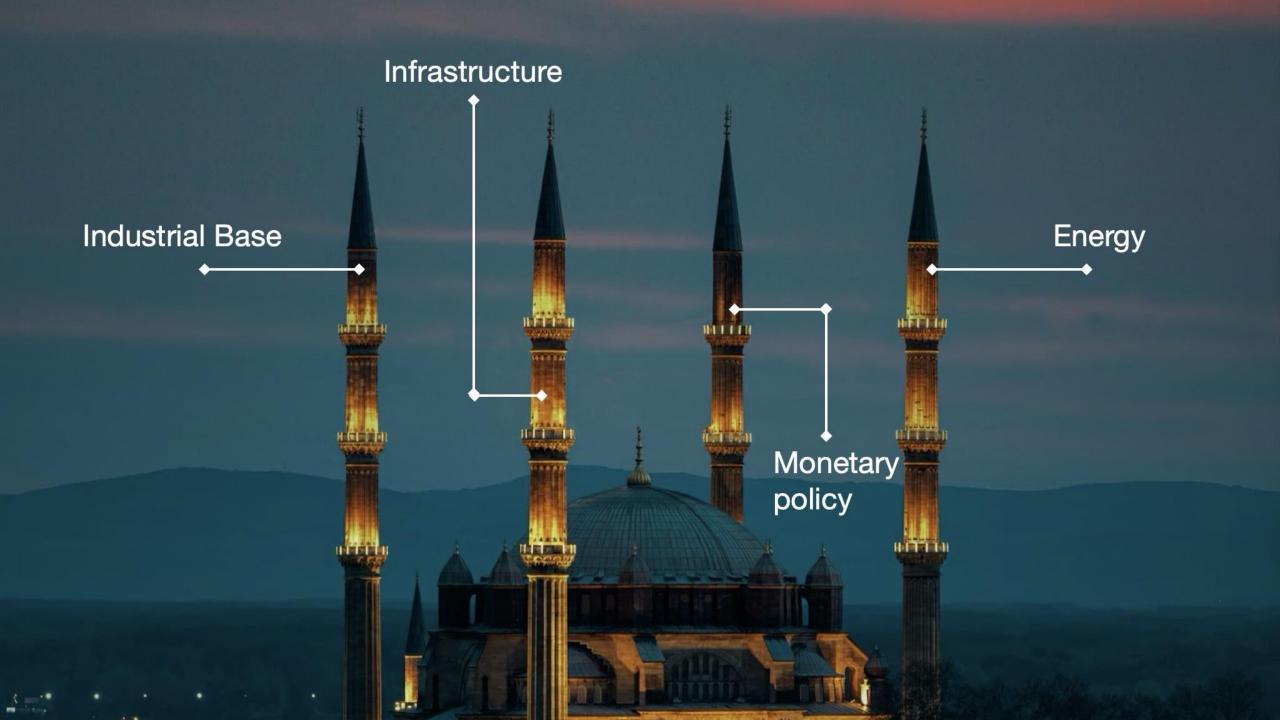




What does this mean?

Turkiye has been outperforming some of the largest economies in the world.

It's big success and with sustained growth over a long period of time.



Why stories?

• Stories reveal intent and direction.

Sick man of Europe

The Ottoman Empire in 1914 was commonly known as 'the sick man of Europe', a sign that the once-great power was crumbling. (PBS)



"TURKEY LIMITED"

SULTAN—"BISMILLAH! Make me into a limited company? M'M - AH - S'pose they'll allow me to join the board after allotment."

Abdul Hamid looks on.

A French cartoon from 1908. Franz Josef removes Bosnia-Herzegovina from the Turkiye's Empire while Franz Ferdinand declares Bulgaria's independence.

Le Petit Journal

Le Petit Journal

Dix-neuviême Année

5 CENTIMES SUPPLÉMENT ILLUSTRÉ

Le Petit Journal agricole, 5 cmt. — La Mode du Petit Journal, 10 cmt.

Le Petit Journal illustré de la Jumesse, 10 cmt.

On s'abonne sans frais dans tous les bureaux de poste

DIMANCHE 18 OCTOBRE 1908

Numéro 935



LE REVEIL DE LA QUESTION D'ORIENT La Bulgarie proclame son indépendance. — L'Autriche prend la Bosnie et l'Herzégovine



The New York Times

2014

"

Yet even more is at stake for Mr. Erdogan than his electoral hopes. His ambitious economic goals for Turkey to reach by 2023 — the 100th anniversary of the Turkish republic — are now in peril. Some of his grandest construction projects, like a third airport for Istanbul that officials have said would be the world's largest, are in jeopardy.

"There is no economy to finance these projects anymore," Mr. Ucer said. "A lot of these things will probably get shelved."





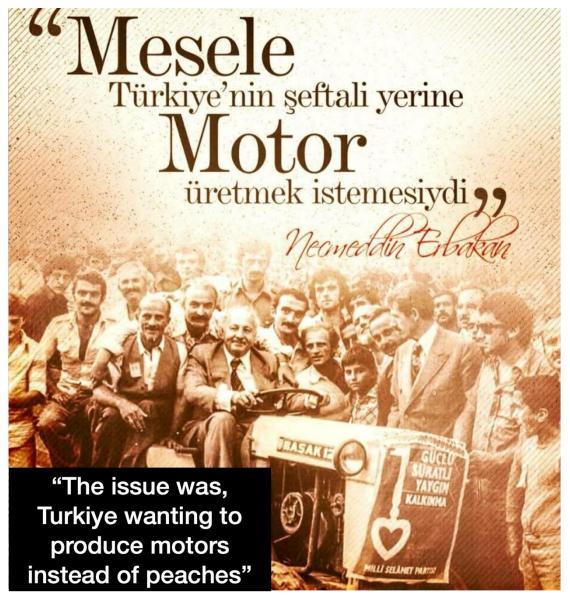
In fact, back in the 1960s, Erbakan was trying to fulfill his dream; at that time he was the founder of the Gumus Motor domestic company which was supposed to produce cars under 'DEVRIM' (Revolution) name. However, production was stopped, and the engineers working on the car project were declared enemies of the people, and Western countries recommended Ankara to increase production of peaches, saying that this is much more profitable than the production of a domestic car.

Exactly 60 years passed, and Turkey, led by President Recep Tayyip Erdogan, who is one of the successors of Erbakan's ideas, presented an electric domestic car for the first time Dec. 27, thereby having written the country's name in the development of the transport of future.

Hand of Turkovia Automobile Joint

azernews.az











What does Islamic economic leadership look like today?





The world is seeking a Yousuf (as) who will restore economic integrity.



Key lessons for better work and a stronger economy from the story of Yusuf (as): foresight, supply chain and cooperation.

Contact

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W: www.almircolan.com









Path to Influential Global Economy

Special Session Under the Auspices of: The Saleh Kamel Award for Islamic Economy



Friday to Sunday, May 30-June 1, 2025





















Path to Influential Global Economy

Innovation in Islamic Economics: A Special Session Featuring PhD Research from Turkish Universities in Islamic Economics and Finance

























Path to Influential Global Economy

KFInfo

Beyza Topuz

























Path to Influential Global Economy

KFInfo

























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What is KFInfo?

Türkiye Participation Finance Information Center (KFInfo) is an online platform to be launched as an action item in the Participation Finance Strategy Document (KFSB) by Presidency of the Republic of Türkiye Investment & Finance Office (CBYFO). Designed as Türkiye's primary information center in participation finance, KFInfo aims to provide a one-stop and overall information and communication source for both domestic and international stakeholders.

















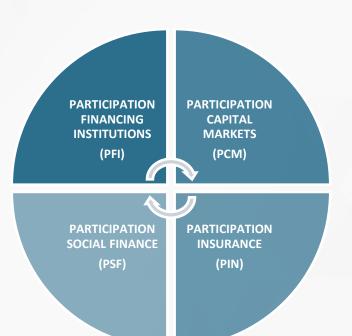


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Holistic Approach To Participation Finance

- **Participation Finance Banks**
- Development and **Investment Banks**
- Saving-based Finance Companies

- Waqf
- Zakah
- Qard al- hasan
- Microfinance



- Lease Certificates (Sukuk) Market
- Money and FX Markets
- **Equity Markets**
- **Investment Funds**
- **Angel Investing**
- Private Equity and Venture Capital
- Crowfunding, P2P, etc.

- Participation Insurance companies
- Participation Reinsurance companies
- **Private Pension System**
- **Auto Enrollment System**



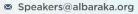


















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KFInfo Structure























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The content will be further classified as per the following sectors and areas:





















www.albaraka.org

ISLAMIC ECONOMICS STRATEGIES:

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Examples from around the world

KFInfo in Türkiye shares similar objectives and functions with Malaysia's leading Islamic finance platform, the Malaysia International Islamic Financial Centre (MIFC). Both platforms are designed to support the growth of Islamic finance, facilitate access to information, and foster a collaborative environment among stakeholders. MIFC aims to attract international investors and position Malaysia as a global hub in this field by providing access to regulations, sectoral insights, and financial data related to Malaysia's Islamic finance industry. Similarly, KFInfo seeks to establish a comprehensive information hub for Türkiye's participation finance sector, enabling both domestic and international stakeholders to access reliable data and thereby enhancing Türkiye's global competitiveness in this domain.



















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Examples from around the world





Keyfield issues maiden RM200mil sukuk **CERT**: Legal Documentation for Islamic Finance



Bank Islam surpasses RM4bil green financing target, well ahead of 2025 goal



decades, KLIFF has been a mainstay in the ann...



Rooted in principles of ethical practices, fairne...

10 SEP 2024



Dinner Speech at GFIEF 2024 by Tan Sri Dr. Zeti Akhtar Aziz

In this recent decade, the global growth of Islamic finance has far exceeded our expectations, despite a highly difficult world environment. This period h...

130 MAY 2024 Read more >





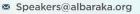


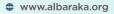




□ 05 NOV 2024













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FORUM

One of the novel and innovative pillars of the KFInfo is the Forum section. It is an interactive discussion and knowledge sharing as well as a matching platform between users and financial institutions.

Through the forum, stakeholders will be provided with services under the following headings:



- Products
- Promotion of Institutions
- Investor and Entrepreneur Meetings
- HR Meetings
- Live Support



STRATEGIC PARTNERS





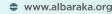


















Path to Influential Global Economy

FORUM

KFInfo Forum aims to provide more effective access to information and communication for users by bringing financial sector stakeholders together in a single platform. It also has the potential to be an information sharing platform that includes education and scholarship opportunities for academics and students.

For investors, KFInfo Forum will not only be an information and communication center, but also an innovative platform where they can find the right business partners, evaluate projects and gain sectoral depth.

























Path to Influential Global Economy

FORUM

The forum structure is inspired by the IFN Fintech Matchmaking application, which aims to bring fintech investors and entrepreneurs together.

FOR INVESTMENT SEEKERS

If you're eager to attract investment, as are the majority of Islamic FinTechs, then this is for you.

The IFN FinTech MatchMaking platform facilitates connections between those seeking money with those with money. It's as simple as that.

There's a three-step approach:

- We'll create a Pitch Deck for you
- We'll forward this to potentially interested investors
- We introduce you to those keen to discuss investment opportunities If interested, please click on the link below, and we'll be in touch shortly to discuss how we can help you.

Seeking investment – please contact me

FOR INVESTORS

If you're interested in investing in Shariah compliant FinTech companies, then this is for you.

The IFN FinTech MatchMaking platform facilitates connections between those with money with those seeking money. It's as simple as that.

There's a three-step approach:

- · We'll send you a Pitch Deck in confidence
- · If interested, you let us know
- We introduce you

If interested, please complete the online form and we'll match your investment strategy with those seeking investment – when they require it.

Take the survey here



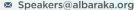














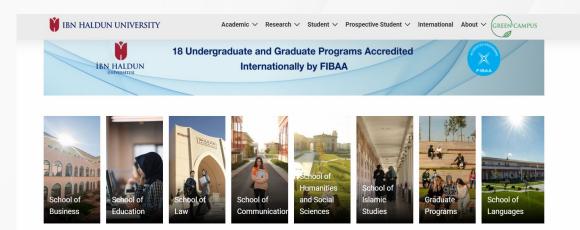




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Current Situation

KFInfo project will be implemented under the coordination of Ibn Haldun University. Supported by Presidency of Republic of Türkiye Investment & Finance Office, the project aims to strengthen the strategic information infrastructure of the participation finance ecosystem.



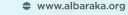
Speakers@albaraka.org

























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THANKS

Beyza Topuz

Analyst, Department of Finance Presidency of the Republic of Türkiye Investment & Finance Office E-mail: btopuz@invest.gov.tr















16XUS OF THE WORLD















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KFInfo

























Path to Influential Global Economy

An Ibn Haldun University Project: Participation Finance Literacy Training for Young People

Research Assist. Muhammed Oğur



Friday to Sunday, May 30-June 1, 2025





















Path to Influential Global Economy

Project Structure

Phase 1: Basic Level Participation Finance Training:

- Duration: 4-week online training.
- Content: Basics of participation finance, sustainability, and social impact.
- Assessment: Weekly online exams, expert sessions, and policy idea development.
- Outcome: "Participation Finance: Foundation Level" certificate.



















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Phase 2: Intermediate Level Training & Sector Dialogue:

- Location: Istanbul, Konya, Gaziantep.
- Content: Intermediate sustainable finance, social benefit, youth inclusion.
- Outcome: "Participation Finance: Intermediate Level" certificate.
- **Project**: Develop financial projects for Europe's digital and sustainable goals.
- **Support**: Mentorship during a "Project Development Camp" at Ibn Haldun University.
- Policy Dialogue: Present projects to local governments and decision makers.





















Path to Influential Global Economy

Target Audience

1. University Students:

Economics, Social Sciences, Law, Engineering: Gain financial knowledge, legal insights, and digital skills.

2. Non-University Youth:

Aspiring Entrepreneurs, Vocational Students, Job Seekers: Improve financial literacy for business and career growth.

3. Young Professionals:

Finance Workers, NGO Staff, Entrepreneurs: Specialize in participatory finance and sustainable business models.

4. EU Volunteers:

Erasmus+ & Local Decision Makers: Gain skills for EU projects and local influence.

5. General Youth:

Digital Competency Seekers, Rural Youth: Learn digital finance tools and improve financial literacy.





















Path to Influential Global Economy

Project Objectives

- 1. Financial Literacy & Awareness
- Educate youth on participation finance, sustainability, and social responsibility.
- 2. Policy Proposal Development
- Enable youth to propose policy ideas on participation finance and engage with stakeholders.
- 3. Digital Competence in Finance
- Equip youth with digital tools for financial literacy and project development.
- 4. Active Citizenship & Social Participation
- Encourage youth to engage in social and economic decision-making.



















Path to Influential Global Economy

5. Knowledge in Finance & Policy Making

 Provide youth with knowledge on participation finance and policymaking processes.

6. Project Development Skills

 Empower youth to design projects with financial content and collaborate with relevant institutions.

7. Leadership & Innovation

Foster leadership skills and innovative thinking for policy creation.



















Path to Influential Global Economy

8. Financial Awareness & Management

8. Teach youth personal budgeting, economic management, and sustainable financial habits.

9. Career & Project Development

8. Provide project management experience and internship opportunities in the finance sector.

10. Global Perspective & Networking

 Enhance global awareness and connect youth to international financial networks.



















Path to Influential Global Economy

Thank you for listening!



STRATEGIC PARTNERS

















Path to Influential Global Economy

The crisis resilience of optimal participation (Islamic) portfolios: A comparison with conventional counterparts on Borsa Istanbul

Tarık KARADAĞ (PhD)

























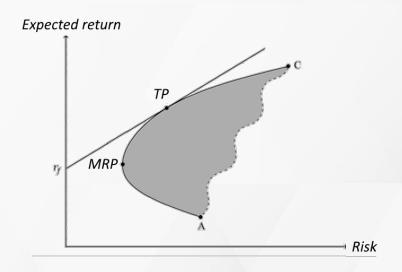
Path to Influential Global Economy

"Are optimal participation (Islamic) portfolios on Borsa Istanbul at least as resilient to stock market crises as optimal conventional portfolios?"

$$\min \sigma_p^2 = w^T \Sigma w$$
 Subject to
$$w^T x = r_p$$

$$w^T I = 1$$

$$w_i \geq 0 \text{ , } \forall i \in w_i = 0 \text{ , } \forall i \notin v_i$$
 Participation invst.univ.



















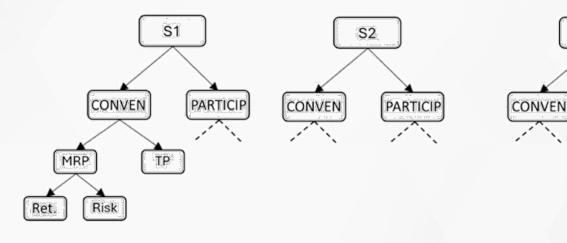


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Investment strategies

Strategy	w_{min}	w_{max}
S 1	0	1
S2	0	0,2
S3	0	0,1

Hierarchy of the application

















S3

MRP

PARTICIP



Risk







Path to Influential Global Economy

Stock market crisis: A decline of 20% or more in the stock market due to uncertainties arising from various developments in politics, economy, society, natural events etc. (benefited from Patel & Sarkar, 1998 and Mishkin and White (2003)).

Crisis period: The time period between the beginning and the end of a stock market crisis.

Beginning of the crisis: The first month following the month of the highest close since the end of the recovery period of the previous crisis.

End of a crisis: The month of the lowest closing from the beginning of the crisis.

Recovery period: The period that begins with the end of the crisis until when the losses incurred during the crisis period are recouped.















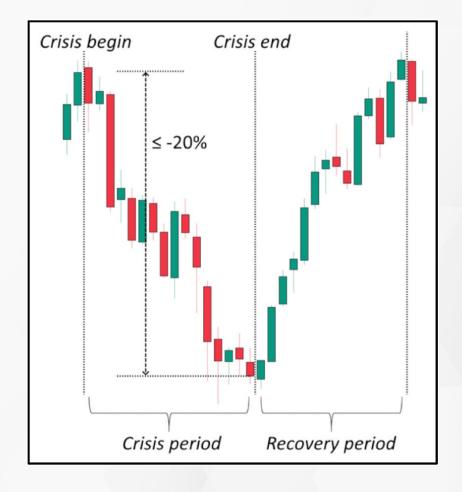






Path to Influential Global Economy

Crisis resilience of a portfolio: The situation of the average monthly return of a portfolio to be higher than or equal to the average monthly return of another portfolio during a crisis period, and, at the same time, the risk of the first portfolio to be less than or equal to the risk of the second portfolio.





















Path to Influential Global Economy

Sample periods considered in the study.

Period	Starts	Ends	Decline in XU100
Gezi Park crisis	May 2013	January 2014	28.11%
Pastor Brunson crisis	February 2018	October 2018	24.54%
COVID-19 crisis	February 2020	March 2020	24.76%
Market correction period 1	May 2011	December 2011	25.97%
Market correction period 2	February 2015	December 2015	19.36%



















Path to Influential Global Economy

Dataset

- Conventional investment universe is taken as BIST 30 (XU030) which dates back to 1980s.
- Participation investment universe is taken as KATILIM 30 (XK030) which dates back to 2011.
- Data is obtained from BIST DataStore until 2015, from Investing.com after 2015.
- The analyses is conducted on the longest period of overlap for both universes (2011-2024).
- Monthly adjusted closing price log-returns of the stocks are used after log transformation.
- Normality assumption is confirmed with a subsample of data through selecting arbitrary stocks from XU030 and XK030.
- Türkiye two-year government bond is used as the risk-free asset to construct TPs.



















Path to Influential Global Economy

Assumptions

- Stock returns collectively follow a multivariate normal distribution.
- The log-return of the portfolio is the weighted average of the log-returns of its constituents.
- In each crisis period, we use the index components of the first day of the relevant month and ignore the changes during the month.
- Portfolios are optimized at the end of each month during the crisis period. The last 36 months of stock return data are used for the optimization. Stocks with less data are excluded from the investment universe.
- To obtain TPs for the relevant month, the risk-free rate of return at the end of the previous month is used.
- In calculating the monthly return of the portfolio or re-optimizing, we use the closing prices of the last





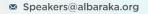




















Path to Influential Global Economy

Hypotheses

 H_0 : Optimal participation portfolios are at least as resilient to crises as optimal conventional portfolios. (Main Hypothesis)



 H_{oa} : Optimal participation portfolios have average returns at least as high as optimal conventional portfolios during crises.

$$H_{0a}: \mu_{part.} \geq \mu_{conv.}$$

$$H_{1a}: \mu_{part.} < \mu_{conv.}$$

Sub-hypotheses-2

 H_{ob} : Optimal participation portfolios have at most as much risk as optimal conventional portfolios during crises.

$$H_{0b}: \sigma_{part.}^2 \leq \sigma_{conv.}^2 \ H_{1b}: \sigma_{part.}^2 > \sigma_{conv.}^2$$

$$H_{1b}:\sigma_{part.}^2>\sigma_{conv.}^2$$



















Path to Influential Global Economy

Risks and returns of OCPs and OPPs in the crisis periods.

Period	Strategy	rategy MRP				TP			
		Return		Risk		Return		Risk	
		Conv.	Part.	Conv.	Part.	Conv.	Part.	Conv.	Part.
Gezi Park crisis	S1	-0.0141*	-0.0197	0.0047	0.0036*	-0.0201*	-0.0232	0.0058	0.0057*
	S2	-0.0088*	-0.0188	0.0042	0.0036*	-0.0236	-0.0200*	0.0064	0.0053*
	S 3	-0.0222*	-0.0223	0.0047	0.0045*	-0.0224	-0.0188*	0.0072	0.0056*
Pastor Brunson crisis	S 1	-0.0206	-0.0204*	0.0024	0.0022*	-0.0153	-0.0134*	0.0077	0.0058*
	S2	-0.0193	-0.0154*	0.0023	0.0017*	-0.0115	-0.0051*	0.0060	0.0045*
	S 3	-0.0145	-0.0113*	0.0018	0.0015*	-0.0126	-0.0038*	0.0051	0.0030*
COVID-19 crisis	S 1	-0.0835	-0.0540*	0.0010	0.0000*	-0.0891	-0.0461*	0.0015*	0.0032
	S2	-0.1110	-0.0637*	0.0044	0.0002*	-0.1103	-0.0712*	0.0040*	0.0094
	\$3	-0.1450	-0.0759*	0.0051	0.0000*	-0.1288	-0.1112*	0.0021*	0.0078

Notes: Conv. = optimal conventional portfolio; Part. = optimal participation portfolio; MRP = minimum risk portfolios; TP = tangency portfolios. * the portfolio group that performs best (conventional or participation).



















Path to Influential Global Economy

Average portfolio size and similarities of OCPs and OPPs in the crisis periods.

Period	Strategy	MRP	MRP			TP		
		Avg. port. size		Avg. port. similarity	Avg. port. size		Avg. port. similarity	
		Conv.	Part.		Conv.	Part.		
Gezi Park crisis	S 1	5.7	7.3*	0.3317	6.2	8.6*	0.3312	
	S2	8.0*	7.7	0.3522	8.0	9.1*	0.2841	
	S 3	13.7*	12.8	0.2655	12.6	13.2*	0.1865	
Pastor Brunson crisis	S1	9.3	11.6*	0.1022	7.7	9.8*	0.1014	
	S2	9.3	11.8*	0.1024	8.3	11.0*	0.1270	
	S3	13.0	14.7*	0.1823	12.1	13.8*	0.1967	
COVID-19 crisis	S1	8.5	10.0*	0.3359	6.0	8.0*	0.4270	
	S2	9.0	12.0*	0.2897	7.5	10.5*	0.3789	
	S3	13.0	14.0*	0.2000	11.5	14.0*	0.2000	

Notes: Conv. = optimal conventional portfolio; Part. = optimal participation portfolio; MRP = minimum risk portfolios; TP = tangency portfolios; Avg. port. size = average portfolio size; Avg. port. similarity = average portfolio similarity



















Path to Influential Global Economy

Results of hypotheses testing for the crisis periods.

Period	Strategy	MRP	MRP		TP		
		H_{0a}	H_{0b}	$\overline{H_{0a}}$	H_{0b}		
Gezi Park crisis	S 1	0.427	0.643	0.466	0.505		
	S 2	0.370	0.589	0.540	0.602		
	S 3	0.498	0.526	0.538	0.633		
Pastor Brunson crisis	S1	0.502	0.546	0.519	0.646		
	S2	0.574	0.670	0.573	0.647		
	S 3	0.565	0.572	0.614	0.760		
COVID-19 crisis	S1	0.793	0.956	0.760	0.385		
	S2	0.753	0.856	0.657	0.367		
	\$3	0.800	0.940	0.584	0.308		

Notes: MRP = minimum risk portfolios; TP = tangency portfolios.

We conclude that OPPs are at least as resilient to stock market crises as OCPs on BIST over the period 2011–2024.



















Path to Influential Global Economy

Risk and returns of OCPs and OPPs for the correction periods.

Correction period	Strategy	MRP	IRP				TP			
		Return		Risk		Return		Risk		
		Conv.	Part.	Conv.	Part.	Conv.	Part.	Conv.	Part.	
1	S1	-0.0109*	-0.0144	0.0038	0.0017*	-0.0247	-0.0075*	0.0041	0.0022*	
	S2	-0.0283	-0.0156*	0.0028	0.0017*	-0.0380	-0.0095*	0.0040	0.0031*	
	S3	-0.0481	-0.0201*	0.0040	0.0029*	-0.0417	-0.0209*	0.0045	0.0038*	
2	S 1	-0.0120	0.0031*	0.0021	0.0016*	-0.0084	0.0065*	0.0015*	0.0023	
	S2	-0.0099	0.0033*	0.0021	0.0017*	-0.0052	0.0030*	0.0014*	0.0020	
	S 3	-0.0047	0.0018*	0.0019	0.0016*	-0.0073	-0.0018*	0.0014	0.0001*	

Table 7 Average portfolio size and similarities of OCPs and OPPs for the correction periods.

Correction period	Strategy	MRP	MRP			TP		
		Avg. port. s	ize	Avg. port. similarity	Avg. port. size		Avg. port. similarity	
		Conv.	Part.		Conv.	Part.		
1	S1	5.6	5.6*	0.3718	5.0	5.6*	0.3713	
	S2	7.4*	7.2	0.3729	7.4	7.8*	0.2902	
	S 3	12.4	12.6*	0.2465	12.0	12.4*	0.2059	
2	S 1	8.3	11.1*	0.1813	7.0	10.4*	0.1394	
	S2	9.1	11.2*	0.1856	8.4	10.9*	0.1778	
	S 3	12.3	14.0*	0.2379	11.9	13.5*	0.2704	



















Path to Influential Global Economy

Results from hypotheses testing for the correction periods.

Correction period	Strategy	MRP		TP	TP		
		H_{0a}	H_{0b}	H_{0a}	H_{0b}		
1	S1	0.449	0.837	0.707	0.568		
	S2	0.701	0.741	0.823	0.623		
	S3	0.820	0.657	0.736	0.595		
2	S1	0.790	0.675	0.783	0.261		
	S2	0.759	0.631	0.676	0.319		
	\$3	0.641	0.592	0.650	0.766		

We can conclude that OPPs are at least as resilient as OCPs not only during crisis periods but also during other downturns on BIST between 2011 and 2024.



















Path to Influential Global Economy

Bottom line

Rational investors who prefer to invest in line with participation (Islamic) finance principles and modern portfolio theory should be just as confident as conventional investors that their investments will be resilient in times of crisis and downturn periods.

THANK YOU



















Path to Influential Global Economy

Factors Affecting the Behavioral Intention of Small and Medium-Sized Enterprises (SMEs) to Use Participation (Islamic) Finance

Yücel Kamar PhD Student at İstanbul University







Istanbul Financial Center (IFC), HALKBANK Building



















Path to Influential Global Economy

Research Motivation & Objective & Model

- Go beyond numbers and financials
- Investigate how subjective norms, perceived behavioral control (PBC), attitudes, and past experiences influence behavioral intentions of financal decision makers of SMEs to use Participation (Islamic) finance
- Reseach model is based upon Azjen's Theory of Planned Behaviour and extended version of the theory













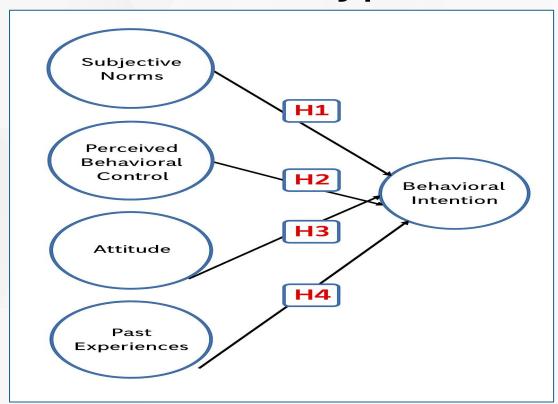






Path to Influential Global Economy

Research Hypotheses



H1: Subjective norms significantly affect behavioral intention.

H2: PBC significantly affects behavioral intention.

H3: Attitudes significantly affect behavioral intention.

H4: Past experiences significantly affect behavioral intention























Path to Influential Global Economy

Research Sample & Method

- Target Group: Financial decision makers of SMEs located in İstanbul
- Sample Size: 592 respondents
- Data Collection Method: Online questionnaire with 52 Likertscale items
- Analysis Tools: SPSS 25.0, LISREL 8.7.



















Path to Influential Global Economy

Scale of Reliability & Validity & Fitting Values

- Cronbach's Alpha (overall): 0.964 Excellent reliability.
- Five key factors identified: Attitude, Subjective Norm, PBC, Intention, Past Experience.
- KMO = 0.953; Bartlett's Test p < 0.001 – Factor analysis appropriate.

Fit Index	Good Fit	Acceptable Fit	Observed Value	Interpretati on
Chi-Square (χ²)			1399.78	
Degrees of Freedom (df)			1264	
χ²/df	$0 < \chi^2/df < 2$	$2 < \chi^2/df < 5$	1.107	Good Fit
CFI	0.95 < CFI ≤ 1	0.90 < CFI < 0.95	0.99	Good Fit
NFI	0.95 < NFI ≤ 1	0.90 < NFI < 0.95	0.99	Good Fit
GFI	0.95 < GFI ≤ 1	0.90 < GFI < 0.95	0.92	Good Fit
IFI	0.95 < IFI ≤ 1	0.90 < IFI < 0.95	0.99	Good Fit
RMSEA	0 < RMSEA < 0.05	0.05 < RMSEA < 0.08	0.013	Good Fit



















Path to Influential Global Economy

Respondent Profile

- 73% Male, 27% Female
- 65% Bachelor's Degree, 20% Master's, 4% Doctorate
- Top sectors: Tech, Healthcare, FMCG
- Average Age: 41.2 | Experience: 18.8 years





















Path to Influential Global Economy

Correlation with Age & Experience

- Positive, but low correlation between age and behavioral intention (r=0.145).
- Similar low correlation with experience (r=0.083).
- Older and more experienced professionals slightly more inclined toward Participation (Islamic) finance.



















Path to Influential Global Economy

Demographic Differences

 No significant difference by gender except past experience (p=0.027, higher for men).

 Married participants showed significantly higher subjective norm and behavioral intention.



















Path to Influential Global Economy

Surprising Result Education

• Participants with higher education (esp. PhD) reported significantly higher intention scores.

Behavioral Intention Score: PhD: 4.14 | High School: 2.37



















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Role-Based Differences

CFOs had the highest behavioral intention and control scores.

May reflect strategic finance decision-makers' greater engagement.



















Path to Influential Global Economy

Structural Equation Model (SEM) Results

Predictor Variable	Dependent Variable	Path Coefficient (β)	Interpretation
Attitude	Behavioral Intention	0.36	Strongest effect
Perceived Behavioral Control	Behavioral Intention	0.18	Moderate effect
Subjective Norm	Behavioral Intention	0.11	Weak but significant
Past Experience	Behavioral Intention	0.10	Weak but significant



















Path to Influential Global Economy

Conclusion & Recommendations

- Participation (Islamic) finance adoption is moderate but promising among SMEs.
- Education level (e.g., PhD) and strategic roles (e.g., CFO) influence adoption intentions.

Policy Implication: Focus on financial literacy and executive engagement.





















Path to Influential Global Economy

Conclusion & Recommendations

- Focus on enchancing the credibility of Participation (Islamic) finance in people's mind.
- Take necessary actions to facilitate to use of Participation (Islamic) finance
- Make more interdiciplinary research to find out preliminary instruments (latent variables) behind the attitudes, PBCs, and (especially) subjective norms





















Path to Influential Global Economy

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Path to Influential Global Economy

I sincerely appreciate your attention and time.

I would like to extend my sincere thanks to **Prof. Dr. Mehmet Saraç** for his priceless contributions in my thesis work.

Q&A



















Path to Influential Global Economy

Islamic Economics in Action: Lessons from Country Successes with Global Implications

Abdulmalik Egesa Omar, Mr



Friday to Sunday, May 30-June 1, 2025



Istanbul Financial Center (IFC), HALKBANK Building



















Path to Influential Global Economy

1. Aligning Islamic Economics with Global Trends

1.1 Leveraging Sukuk for Sustainable Finance

Case Study: Green sukuk (Malaysia and Indonesia)

Market Growth: The global sukuk market is projected to reach \$190–\$200 billion by end of 2025, with green and sustainability-linked sukuk accounting for 25% of new issuances (S&P Global).

ESG Alignment: Sukuk structures inherently avoid speculative risks, making them ideal for funding:

- Renewable energy (solar, wind).
- Affordable housing (e.g., Islamic Development Bank's \$1 billion affordable housing sukuk).
- Climate-resilient infrastructure.

Actionable Step: Advocate for tax incentives for green sukuk issuers in G20 nations to accelerate adoption.



















Path to Influential Global Economy

... Continuation

1.2 Adopting Digital Transformation Case study: Fintech Innovations

• Blockchain: Smart contracts automate Sharia-compliant transactions (e.g., Saudi Arabia's SARIE blockchain platform for Murabaha financing).

• Robo-Advisors: Platforms like Wahed Invest and Raqami democratize access to halal

portfolios.

Hijra (Indonesia): Sharia-compliant P2P lending platform serving 480+ cities, reducing inequality

Apps like Global Sadagah track Zakat to SDG projects (e.g., clean water in Somalia)

Regulatory Sandboxes:

Malaysia's Fintech Sandbox: Enabled 12 Islamic digital banks since 2020.

Malaysia's 12% global Islamic banking share via digital transformation.
 UAE's Digital Sukuk Platform: Reduced issuance costs by 30%.

Actionable Step: Launch Islamic fintech hubs in key markets (e.g., Karachi, Istanbul) to incubate startups.



















Path to Influential Global Economy

...Continuation 1.3 Harmonize Standards

Case Study: Fragmented Crypto Rulings

Current Fragmentation

Very many Sharia boards globally, leading to conflicting rulings.

Solution: Unify under **AAOIFI Standard 62** for cross-border sukuk, endorsed by:

- Bank Negara Malaysia.
- · Central Bank of Bahrain.

Impact: Standardization could reduce issuance timelines by 40% and attract \$50 billion+ in conventional investor capital, Reduced Fatwa Conflicts, Boost Islamic digital asset AUM from 10B(2024) to 50B+

Actionable Step: Lobby for an International Islamic Finance Standards Council (IIFSC) under the IMF

















Path to Influential Global Economy

- 2. Facilitating Stakeholder Collaboration
- 2.1 Public-Private Partnerships (PPPs)

Case Study: Saudi Vision 2030's \$180 billion mortgage-backed sukuk market involved:

- Government: Regulatory reforms (e.g., revised mortgage laws).
- Private Sector: SNB Capital structured sukuk for home financing.

Result: Homeownership rose from **47% to 62%** (2016–2023).

Toolkit: Replicate this via Islamic Infrastructure Funds (e.g., Türkiye's \$5 billion waqf-based hospital fund).

Actionable Step: Draft PPP guidelines for Islamic projects with the Islamic Development Bank.

















Path to Influential Global Economy

...Continuation 2.1 Global Conferences

- Key Events:
 - Albaraka Summits
 - 11th International Islamic Monetary Economics and Finance Conference (Jakarta, Oct 2025): Focus on crypto-assets in Islamic finance.
 - Global Islamic Finance Awards (GIFA): Showcases benchmarks (e.g., Dubai Islamic Bank's \$750 million sustainability sukuk).
- Outcome: 30% of partnerships at these events lead to cross-border deals (e.g., Qatar National Bank's fintech JV with Malaysia), Policy Influence and Global Visibility,

Actionable Step: Global Islamic Finance Innovation Summit hosted by the G20



















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ISLAMIC ECONOMICS STRATEGIES:

Path to Influential Global Economy

...Continuation

2.3 Cross-Border Alliances

Case Study:

- GCC-ASEAN investment Corridor:
 - Kuwait Finance House (KFH) in Malaysia: Assets grew 200% post-expansion.
 - Singapore's Islamic Wealth Management Hub: Manages \$8 billion for GCC clients.

Barrier: Divergent tax treatments of sukuk (e.g., UK vs. Saudi Arabia).

Actionable Step: Create a GCC-ASEAN Islamic Finance Taskforce to harmonize tax policies.



















Path to Influential Global Economy

3. Solving Global Economic Challenges

- 3.1 Financial Instability
- Risk-Sharing Models:
 - Musharakah: Used by Bank Islam Malaysia for SME financing (default rate: 1.8% vs. conventional 4.5%).
 - Impact: Islamic banks had zero bailouts in 2008.
- Data: Islamic banks' average capital adequacy ratio (20%) vs. conventional (13% Basel III requirement).

Actionable Step: Pilot Islamic liquidity windows in central banks (e.g., Pakistan's Sharia-compliant repo facility).

















Path to Influential Global Economy

...Continuation 3.2 Inequality

Zakat Potential: 1trillion+annually if collected efficiently(vs.current 200 billion).
 1% of global Zakat could fund universal primary education (UNESCO).
 Case Study: Indonesia's Baznas built 1,000 schools via Zakat.

 Tech Solution: Global Sadaqah App tracks Zakat to SDGs (e.g., 10,000 water wells in Sudan).

Bangladesh's Islamic microfinance lifted 2 million+ out of poverty via Qard

al-Hasan loans.

• Akhuwat (Pakistan): Disbursed \$1 billion in interest-free loans since 2001, with a 99% repayment rate

Actionable Step:

Mandate corporate Zakat reporting for listed firms in OIC nations.

• Scale **Zakat-tech** platforms (e.g., Global Sadaqah) to digitize wealth redistribution. Zakat's mandatory 2.5% wealth tax can uplift 800 million Muslims living in poverty

















Path to Influential Global Economy

...Continuation 3.3 Ethical Investment

Growth: Islamic ESG funds to hit \$30B AUM by 2027 (Refinitiv).

- Halal ESG Screening:
 - Exclusions: Gambling, alcohol, tobacco (avoided \$12 trillion in haram assets).
 - Inclusions: Green energy, healthcare, education.

Case Study: Abu Dhabi Islamic Bank (ADIB): \$500 million green sukuk funded 3 solar farms powering 200,000 homes sets a benchmark.

Actionable Step: Launch a Halal ESG Index with S&P/Dow Jones.



















Path to Influential Global Economy

4. Framework for Sustainable Growth

4.1 Financial Inclusion

- Digital Banking: Tam Digital Bank (Saudi) onboarded 1 million unbanked users in 12 months. (1.7B unbanked Muslims globally)
- Islamic Microfinance: Akhuwat (Pakistan) disbursed more than \$1 billion interest-free loans since 2001.
- Turkey's Awqaf Bank: Funds hospitals/schools via endowment tech.
- Green Waqf: Indonesia's forest conservation projects.

Actionable Step: Partner with M-Pesa-Kenya to launch Islamic mobile banking in Africa.



















Path to Influential Global Economy

...Continuation

4.3 Environmental Sustainability

- Green Sukuk: \$10-12 billion annual issuances by end of 2025 (S&P).
 - Example: Malaysia's \$1.3 billion green sukuk for rainforest conservation.
- Waqf for Climate: Turkey's Awqaf Bank funds urban green spaces.

Actionable Step: Require ... % of sovereign sukuk to be green-labeled.



















Path to Influential Global Economy

5. Forward-Looking Investment Strategies

5.1 Infrastructure

- Egypt's \$500 million transport sukuk reduced Cairo's traffic by 15%.
 UK: £500M sovereign sukuk (oversubscribed 10x).
- Tool: Project Sukuk Toolkit by IsDB for replicable models.

Actionable Step: Pitch G7 nations to issue sukuk for African infrastructure.

5.2 Technology

Expanded Analysis:

- Al Sharia Advisors: Hijra (Indonesia) uses NLP to screen 10,000+ investments/sec.
- Blockchain Waqf: Dubai's "Smart Endowment" platform tracks donations transparently.

Actionable Step: Fund 10 Islamic fintech unicorns by 2030 via venture capital.



















Path to Influential Global Economy

...Continuation

5.3 Healthcare/Education

Case Study:

- Waqf-Tech: Pakistan's Sehat Kahani telemedicine funded by waqf.
- Jordan's university waqf covers 50% of student fees.

Actionable Step: Launch a Global Waqf Fund targeting SDG 3 (Health) and 4 (Education).



















Path to Influential Global Economy

END



STRATEGIC PARTNERS

















Path to Influential Global Economy

Excellent Consumer and Producer Protection Model: The Ottoman Treasure Hunt Dr. Barae Dukhan







Istanbul Financial Center (IFC), HALKBANK Building



















Path to Influential Global Economy

Modern economists missed to learn from the knowledge and experiences of our ancestors.

The result is a modern cycle of failure and correction that cost us direly.

The case of Producer and Consumer problems is yet another example.



















ROA

ISLAMIC ECONOMICS STRATEGIES:

Path to Influential Global Economy

Contemporary Practices Adaptation (Islamization)

- **Diwans:** Byzantine practice of **Diwans** within the Islamic governance structure.
- Coinage: The Caliphate initially used Byzantine and Sasanian coins.
- **Postal System:** The Islamic Caliphate adopted the Persian **Barid** system
- Total westernization during 19th century in all fields: Financial, Commercial, Administrative, Legal, Health.

Historical Practices Modernization

- **Extract** historical practice
- **Analyze** the strengths and weaknesses
- Adapt and Update upon the strengths
- Japanese Kaizen, Muda, **Muri (TOYOTA)**













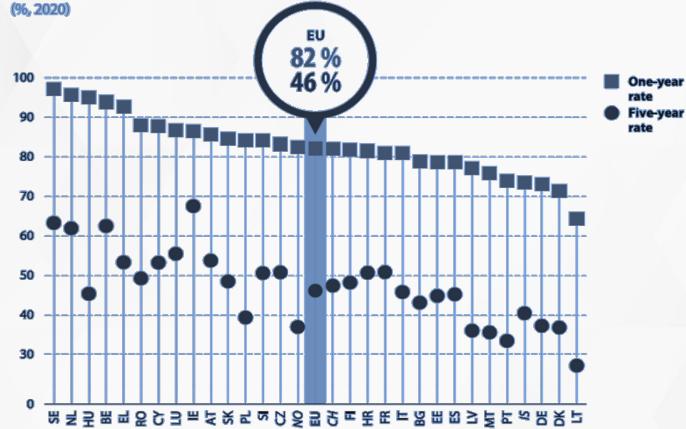






Path to Influential Global Economy

Enterprise survival rates in the business economy













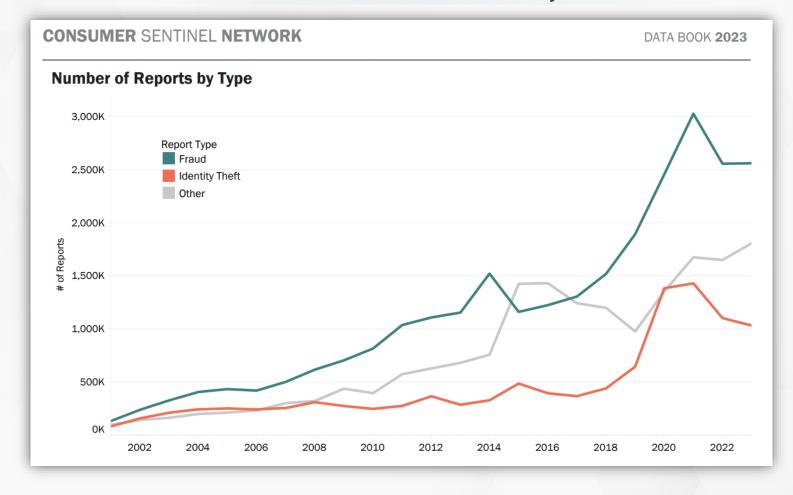








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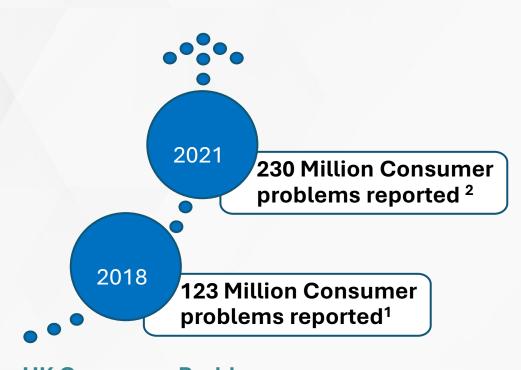






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165 Billion USD Total consumer losses^{2,3} between 2021-2023 in UK +USA

UK Consumer Problems

¹Citizens advice. (2018). The Domino Effect: Exposing the knock-on effects of consumer problems.

³ Federal Trade Commission. (2023). Consumer Sentinel Network Datab Book 2023.















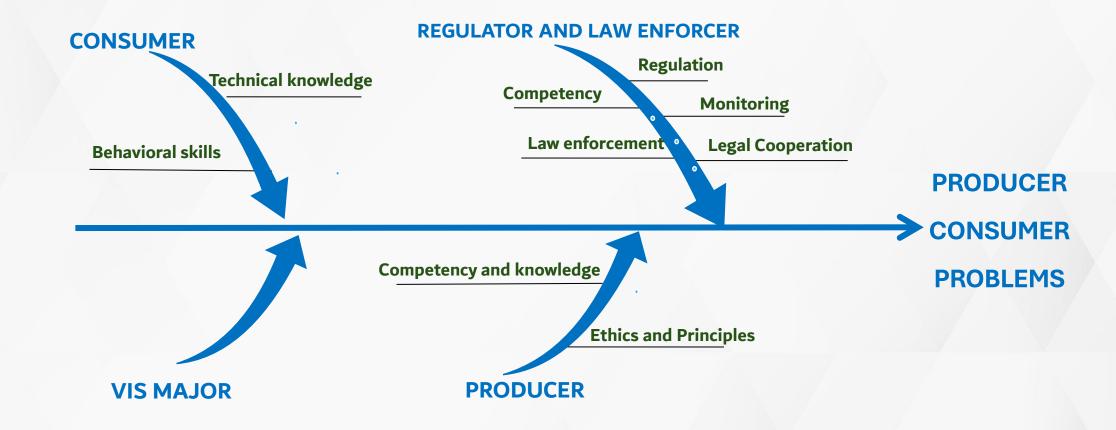
² Department for Business, Energy & Industrail Strategy. (2022). Consumer Protection Study 2022: Understanding the impacts and resolution of consumer problems







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Path to Influential Global Economy



Searching Ottoman Istanbul courts archive for commercial court cases retrieved a total of 751 out of 12,295 court cases distributed over 224 years

Istanbul Court Archive records 1618 – 1842 AD













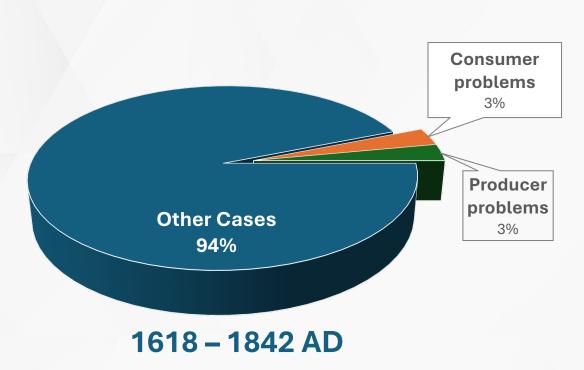








Path to Influential Global Economy



Total: 751 out of 12,295 court cases distributed over 224 years In Istanbul concerning producers or consumer problems



















Path to Influential Global Economy

Detection Level

Detection	%
Proactive	25%
Producer Alert	24%
Consumer Pain	51%

Penalties Deterrence

Degree of Deterrence	%
Low	47%
Medium	32%
High	21%

Protection Practices

#	Consumer protection practice	Percentage
1	Regulation development or improvement	43.3%
2	Warning issuance	13.2%
3	License Revocation	8.8%
4	Undertaking	7.9%
5	Business permits increase	7.1%
6	Guild head replacement	4.7%
7	Jail	4.4%
8	Ban from activity	3.8%
9	Expelling from the market	1.6%
10	Raising case to a higher authority	1.4%
11	Hard labor	0.8%
12	Banishment	0.5%
13	Defect recall or destruction	0.5%
	Others	1.9%



STRATEGIC PARTNERS



















Path to Influential Global Economy

	CONTEMPORARY	ANCESTORS
1- MARKET DRIVER	-Competition and conflict base	-Cooperation and solidarity base
2- VALUES	-Self centric -Utility maximization	-People needs first , profit second
3- BUSINESS PROTECTION	-Patents, Copyrights -Legal service costs	-Brotherhood system -Market knowledge sharing -Fair market share distribution -Takaful fund
4- CONSUMER PROTECTION	-Powers represented at the government	-Business guarantors for violation -Price setting -Business charters
5- MONITORING	-Government only	Peer, society, government



















Path to Influential Global Economy

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STRATEGIC PARTNERS

	CONTEMPORARY	ANCESTORS
6-BUSINESS COST	-Market research-Marketing and advertising-Legal costs-Financial penalties- Reactive CSR cost	-Collaborative market research -Low need for advertising -Nonfinancial penalties - Proactive CSR
7-CONSUMER COST	-Overconsumption -Planned obsolescence -low quality products -Legal complaint costs	-Consumer need based -Quality always -High deterring penalties for violators
8-ENVIORNMENT	- Consumerism means more environment damage	-Need based
9-SOCIETY	-Wealth concentration -CSR destroying people's dignity -Charge high and pay charity	-Wealth distribution -Poor's engagement in business -Dignity preserved by reasonable prices











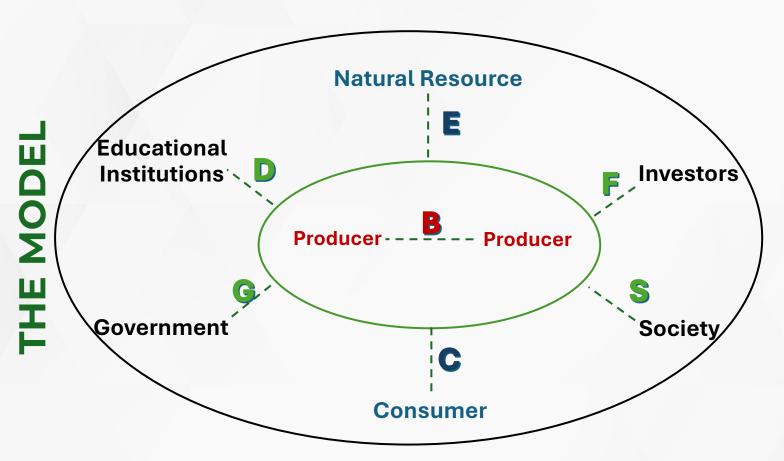








Path to Influential Global Economy



- **B**: Cooperative, Takaful, Success, Regulation, Monitoring.
- **E:** Need, Sustainable
- C: Collective Guarantors, Mutual monitoring.
- D: Dynamic, Practical, Innovative, Ethics, Human, Technical skills.
- **G**: Policy, Regulation, Monitoring, Law enforcement
- F: Clear, Collective, Governance
- **S**: Wealth distribution, weak uplifting.



















Path to Influential Global Economy

- Economic mindset Shift from utility maximization into a balanced welfare system that takes care of the needs of society and individual businesses at the same time.
- Cooperative shared-welfare-based mindset will increase the welfare of both consumers and producers while saving the planet.
- Price fixing by producers and government to ensure fair profit while at the same time not burdening the pockets of the consumers.
- 4 Need-based sustainable consumption promotion and protection.



















Path to Influential Global Economy

MENDATION

- Proactive businesses and supply chain alarm system to report any problems before they become real trouble in the market.
- Business society delegation to solve the complaints of consumers and their members. Society members share liability for violations.
- No business shall be left behind; new license requires investments and efforts that need to be protected.
- The qualification of the new entrants in the market must be part of the economic strategy.
- Increasing the role of society in protecting consumers can reduce the load on regulators, law enforcement, and the judicial system





















Path to Influential Global Economy

"You will not enter Paradise until you truly believe, and you will not truly believe until you love one another."

The Prophet () | Muslim, 54





















Path to Influential Global Economy

Market Dynamics in Islamic Economics and Their Effects on Social Welfare

Dr. Nuri Aksoy



Friday to Sunday, May 30-June 1, 2025



Istanbul Financial Center (IFC), HALKBANK Building















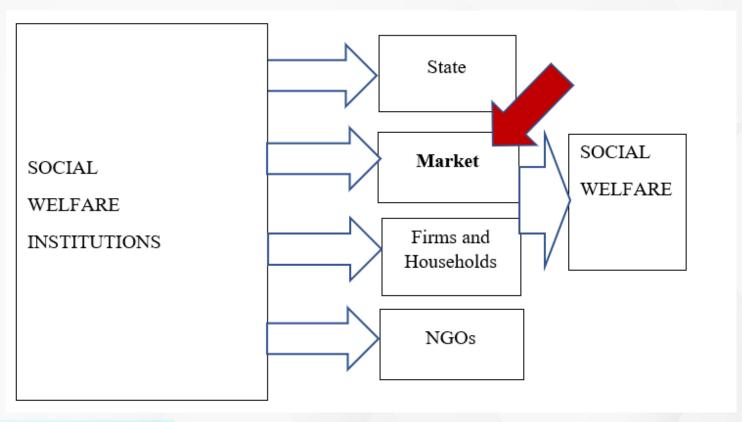




Path to Influential Global Economy

FRAMEWORK OF THE THESIS

Macrostructures are built on microstructures. The thesis was prepared inspired by Yalcintas's view on microeconomics. According to Yalcintas, "Construction of microeconomic theory under the Islamic constraints might be the most challenging task for Islamic economics" (Yalcintas, 1986).





















Path to Influential Global Economy

PROBLEM STATEMENTS

- All interest-bearing transactions, which are the basis of the capitalist system, are risk transfers based on the principle of earning without taking on risk.
- The current capitalist system and the free market increase the injustice in income distribution. A
 large part of the income generated in the economy remains in the hands of companies, which are
 the most important actors in the market. This situation further increases the inequality in income
 distribution.
- The fundamental and driving paradigm of capitalism is competition. Companies' competition and profit maximization goal negatively affects the functioning of the market. This is generating market inefficiency as competition is killing competition, distorting the market and reducing social welfare.





















Path to Influential Global Economy

HYPOTHESIS

- This study discusses the principles of Islamic economics, including risk-sharing finance, partnerships, and cooperation-based markets, to solve the problems that the capitalistic economic system has been encountering.
- That is to say, in Islamic economics
- Risk-sharing finance causes more efficient market equilibrium and increases social welfare through cost efficiency,
- Partnerships can be a remedy for unjust income distribution.
- Market structure where cooperation rather than competition is at the center improves market efficiency.





















Path to Influential Global Economy

RESEARCH QUESTIONS

- What are the main factors (Risk-sharing finance, Partnerships and Cooperation versus competition concepts) that make market/market structures effective in providing social welfare?
- What are the proxy dynamics that influence social welfare? For example, risk-sharing finance provides cost efficiency for firms, partnerships lead to income distribution to a large scale of society and cooperation of firms in the market provides market efficiency.
- What are the role of market/market dynamics in achieving social welfare?



















Path to Influential Global Economy

OBJECTIVES AND IMPORTANCE OF THE STUDY

- To compare capitalism with Islamic economics within the context of certain market dynamics such as **cost** efficiency, income distribution efficiency, and market efficiency.
- To investigate the impact of the cost efficiency of risk-sharing finance on the market equilibrium and social welfare in terms of the firm's production costs.
- To investigate partnership models on income distribution and its impacts on social welfare.
- To analyze the **effect of cooperation** among firms in the market instead of competition and its impacts on market efficiency and social welfare.
- To theoretically discuss market dynamics shaped by the principles of Islamic economics and to practically
 pave the way for these markets' formation.





















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ISLAMIC ECONOMICS STRATEGIES:

Path to Influential Global Economy

LIMITATION OF THE STUDY

 Although many factors contribute to social welfare within Islamic economics, this study has taken three essential dynamics into account within the scope of

(1) Risk-sharing finance, (2) Partnerships and (3) cooperation-based market structure.

- Secondly, the study analyzes these concepts with a doctrinal understanding of a theoretical framework.
- Despite all these limitations, this study will pave the way for studies that will allocate resources effectively, ensure fair income distribution, and contribute to social welfare with market structures based on brotherhood and cooperation within the framework of Islamic economics.















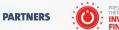




Path to Influential Global Economy

METHODOLOGY

- This study has specifically focused on three pivotal dynamics: risk-sharing finance, partnerships, and cooperation-based market structures.
- A thorough analysis of cost and resource allocation efficiency is undertaken, using computational model, advanced software technology (Python), and mathematical models using the Lagrange function.
- Theoretical analysis has been conducted.















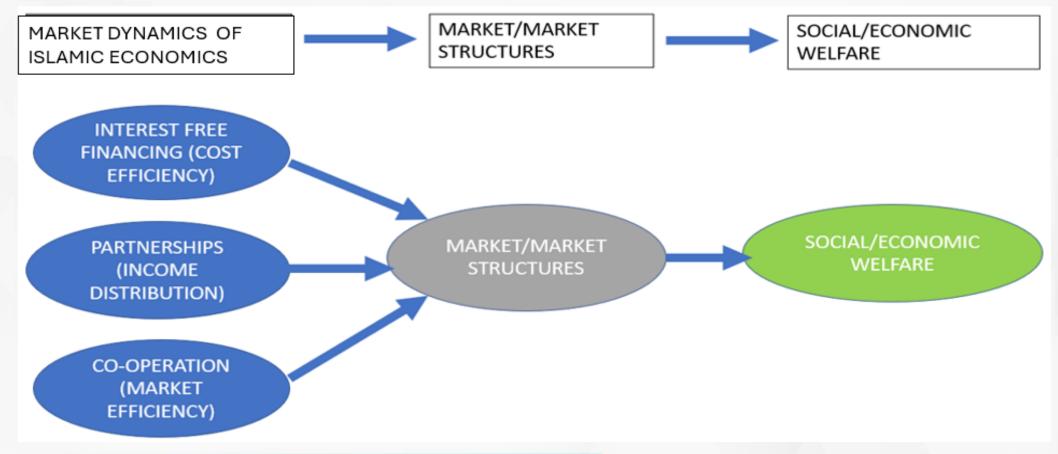






Path to Influential Global Economy

CONCEPTUAL FRAMEWORK



















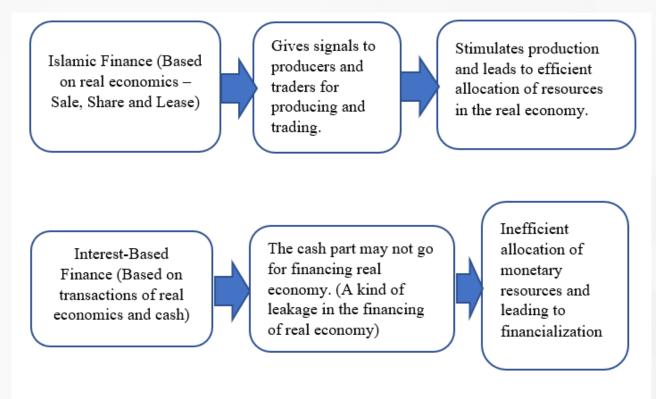




Path to Influential Global Economy

ANALYTICAL FRAMEWORK - 1 Risk-Sharing Dynamic and Cost Efficiency

- Risk-sharing Finance (Python Code Method)
- Risk-sharing Finance (Lagrange Method)
- Financing Real Economy (Interest-Free Financing)



Signal Effect on Markets of Islamic and Conventional Finance Source



















Path to Influential Global Economy

ANALYTICAL FRAMEWORK - 2

Partnership Dynamic and Income Distribution Efficiency

(MPC: Multi-Partner Companies)

- An interest-based economic system often leads to wealth becoming concentrated among a select few. Numerous small savers entrust their surplus funds to banks, which then use these deposits to provide loans to a limited group of wealthy individuals.
- This process results in the transfer of wealth from many small savers to a handful of affluent capitalists, who amass significant profits and safeguard their assets and ventures. These large capitalists and corporations, the primary beneficiaries of bank loans, offset their financial costs by adjusting the prices of their outputs when necessary.
- To rectify this unfair income distribution, the proposal is to establish Multi-Partner Companies. This way, wealth and income can be distributed more equitably throughout society.















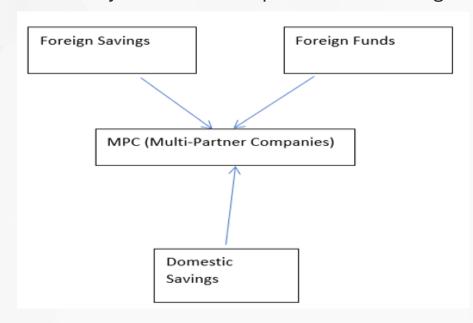


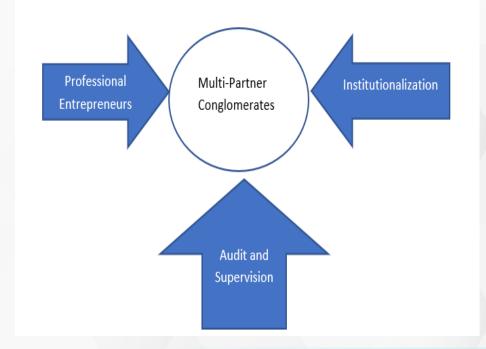


Path to Influential Global Economy

MULTI-PARTNER COMPANIES (MPC)

• The new proposed model below shows the monetary resources coming to MPC. The funds may come to MPCs from national and international savings. These funds are transferred to MPCs based on partnership agreements based on the profit-loss sharing model. MPC as a conglomerate utilizes these resources in any real sector such as manufacturing, energy, commerce, and services by the decision of professional managers.

























Path to Influential Global Economy

ANALYTICAL FRAMEWORK - 3

Cooperation Dynamic and Market Efficiency

Conventional economics promotes a view of society as a competitive jungle. It claims that cut-throat competition for survival of the fittest promotes efficiency. In other words, today's economic theory teaches us to be selfish and greedy, saying that cut-throat competition leads to efficiency among firms. Capitalist teachings say that the basis of society is individualism, hedonism, competition, and greed. All is fair in pursuit of pleasure, power, and profits. All transactions in this type of market are based on adversarial motives.















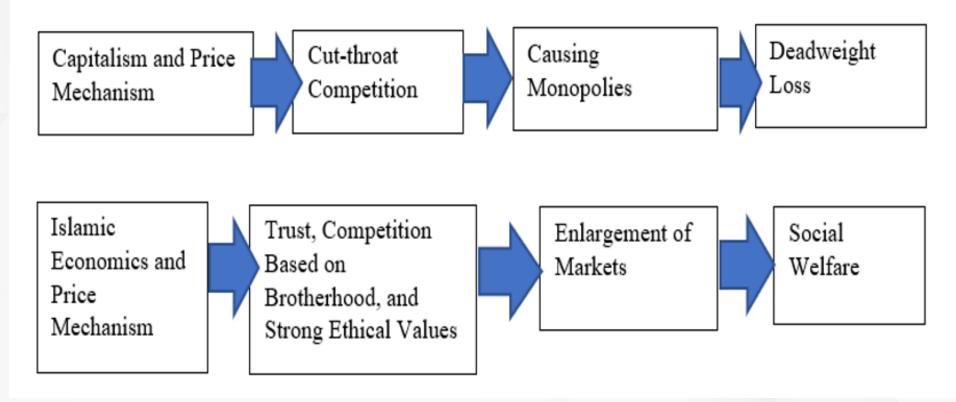






Path to Influential Global Economy

CHARACTERISTICS OF COOPERATION BASED MARKET STRUCTURE























Path to Influential Global Economy

CONCLUSIONS

1) Risk Sharing Dynamic and Cost Efficiency:

• The first dynamic revolves around achieving cost efficiency by promoting risk-sharing finance for companies. By their nature, Islamic financial institutions support financing the real economy, giving a powerful signal to investors and producers. This approach attempts to eliminate the reliance on interest-based financial mechanisms, stimulating a more equitable and sustainable financial landscape.

2) Partnership Dynamic and Income Distribution Efficiency:

The second dynamic focuses on equitable income distribution across a broader spectrum. It
underscores the importance of the Partnership Principle, emphasizing cooperative economic structures
that contribute to spreading income more inclusively. By adopting this dynamic, the aim is to enhance
income distribution efficiency by spreading income to a large base of society and reduce disparities
within society.





















Path to Influential Global Economy

CONCLUSIONS

3) Cooperation Dynamic and Market Efficiency:

The third dynamic addresses the operational dynamics of the market. Rather than
endorsing cut-throat competition, it advocates for a market structure based on
cooperation or competition based on brotherhood. This perspective aims to foster
cooperation and mutual support among market participants, ultimately
contributing to enhanced market efficiency. In this way, the market becomes a
space where economic activities are driven by collective benefit and shared
success.





















Path to Influential Global Economy

Use of *Istijrar* Contract as Financing Model for Islamic Banks in Türkiye

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Friday to Sunday, May 30-June 1, 2025



Istanbul Financial Center (IFC), HALKBANK Building



















Path to Influential Global Economy

Contents

Introduction



Literature Review



The Proposed Model















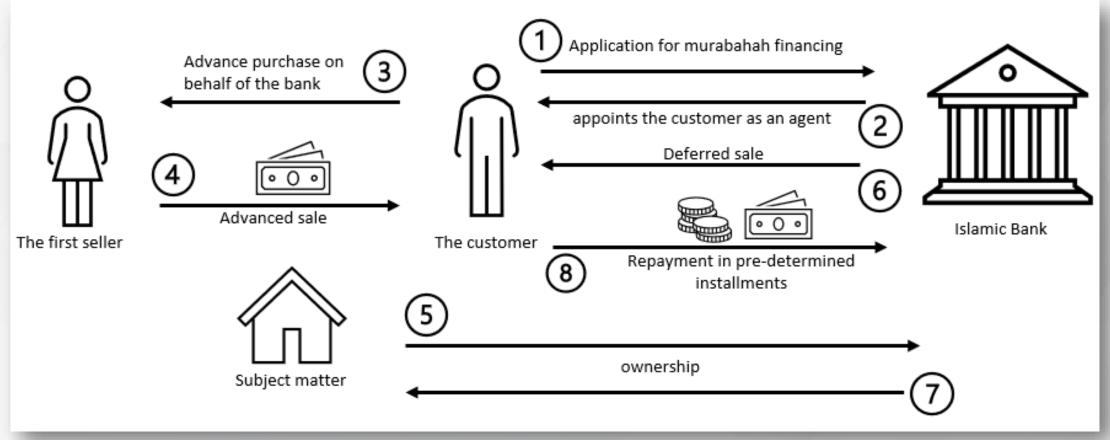




1. Introduction

Path to Influential Global Economy

Murabahah Financing Model For Islamic Banks





STRATEGIC PARTNERS













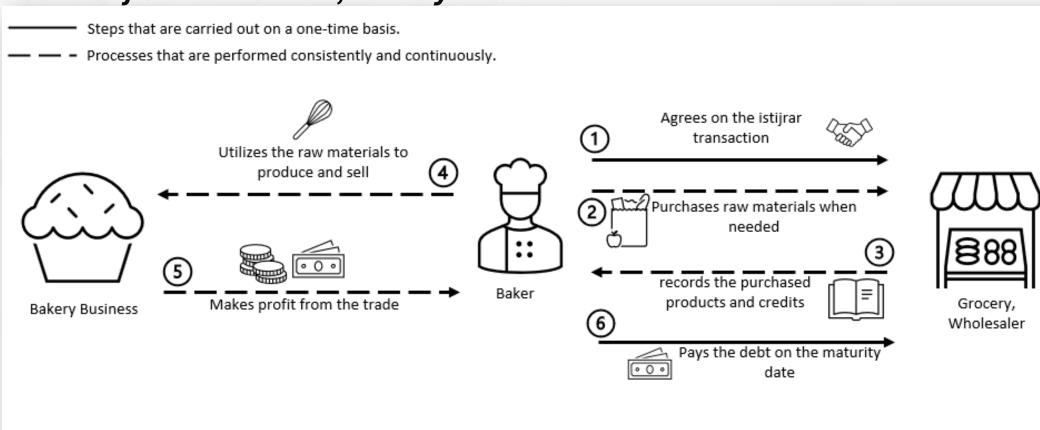




1. Introduction

Path to Influential Global Economy

Basic Istijrar Transaction, Veresiye Tradition





















2. Literature Review

Path to Influential Global Economy

The Shariah Compliance Debate on Istijrar Contract

- The *Hanafi* scholars consider the *istijrar* contract permissible <u>based on *istihsan*</u> and justify the practice of *istijrar* by referencing <u>customary practices</u>, <u>public necessity</u>, and the aim of facilitating daily life.
- Especially *Mālikī* jurists considered the uncertainty of the price preventing the validity of the contract, while the other Islamic jurists believe that the subject matter is of those commonly known and the standard type (*misliyyah*) and hold that the *istijrar* contract in these specific cases is valid.
- AAOIFI mentions that the *gharar* in the *istijrar* transaction is classified as forgivable *gharar*, which makes it permitted to a certain point and in certain conditions.





















2. Literature Review

Path to Influential Global Economy

Usmani mentions three conditions for this type of istijrar to be permissible.

If the seller discloses the price of the goods for each transaction, the sale is valid only when the <u>buyer takes possession</u> of the goods, with payment made <u>after all transactions are completed</u>.

If the seller does not disclose the price each time, but both parties understand that the goods are sold at a market value that is clearly established and agreed upon, the sale can proceed.

If the price is unknown at the time of possession or if the parties agree to a flexible pricing arrangement, the sale may still be valid. However, if there is a significant difference between the agreed price and the market price at the time of possession, the sale will not be considered valid until payment is made.



















2. Literature Review

Path to Influential Global Economy

- A suggestion by Obaidullah, about pricing is that "Istijrar with Khiyar al-Shart (option with a condition)" which may be defined as a combination of Asian options and barrier options, which respectively means the price is based on the average of the relevant market, and the option gets activated when prespecified price barriers are crossed. By disallowing speculative profits and emphasizing real, non-speculative transactions, it is structured to eliminate ambiguity or any incompliance with the Shariah, as the available options are clearly defined within the contract and are not transferable within themselves.
- Three different approaches have been condensed by Kacır, regarding how the price determination should be made: Leaving the price determination (a) to the market, (b) to the seller, (c) to the agreement between the parties at the time of settlement



















2. Literature Review

Path to Influential Global Economy

The Global Practice of the Istijrar Contract

- The Islamic Bank Bangladesh Limited (IBBL) outlined potential areas for istijrar implementation on its website, not available as a product in practice.
- The Islamic banking guidebook of the Meezan Bank of Pakistan guidelines for applying istijrar transactions within the murabahah contract.
- The Shari'ah Advisory Council of the Central Bank of Malaysia an import financing product grounded in the *istijrar* contract, an alternative to existing methods relying on murabahah and tawarruq contracts.
- The ISRA in Malaysia collaborating with MUFG Bank Malaysia the implementation of the istijrar contract as an alternative to murabahah-based import financing.
- RHB Islamic Bank in Malaysia an innovative Islamic trade financing product utilizing the *istijrar* contract, merging the contracts of *wakalah* (agency) and *istijrar*.





















2. Literature Review

Path to Influential Global Economy

The Practice of the Istijrar Contract in Türkiye

- The financing modes are regulated under <u>the regulation on credit transactions of banks</u>, inwhich istijrar was mentioned as «<u>open account sale</u>» within <u>the sale methods for Islamic banks</u>.
- Customer notification forms have similar content for each contract; basic features of the contract, Shariah compliance, the process and functioning, contractual rights and obligations of the parties, and so on.
- In the ruling by the **High Council of Religious Affairs**, use of the *istijrar* contract for raw materials is discussed and concluded that during periods of price instability, if a custom arises in society under such circumstances, it is permissible to carry out transactions involving standard goods without setting a price in advance, but instead by recording only the quantity.
- **The PBAT** has ruled that a *murabahah* transaction, including an *istijrar* contract, is not allowed for purchasing goods like <u>electricity</u>, <u>water</u>, <u>and gas</u>, <u>as these cannot be financed</u> through the *murabahah* contract. This ruling at least sheds light on what cannot be funded through an *istijrar* contract.





















2. Literature Review

Path to Influential Global Economy

Analysis and Contribution

- The majority of the existing literature is about the permissibility of the *istijrar* contract in the context of Islamic Law.
- The *istijrar* contract is regulated neither as an independent contract nor as a sub-category of another contract in the standards published by The PBAT as well as in the Shari'ah Standards declared by AAOIFI.
- In Türkiye, the details about the *istijrar* contract are only mentioned in the notification forms of the Islamic Banks, however, the modus operandi told in these forms is not enough to conduct the *istijrar* contract as a mode of financing per se.
- The proposed models in the existing literature are either combination with other contracts, which does not present the *istijrar* contract as a financing mode per se, or not suitable for the practice of Islamic banks in Türkiye, within the context of existing regulation.













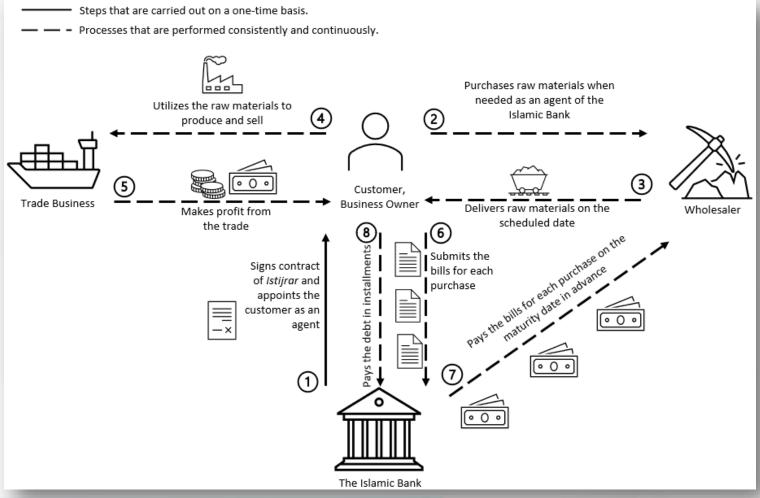






3. The Proposed Model

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Path to Influential Global Economy

Thank you



















Path to Influential Global Economy

التمويل الإسلامي وأهداف التنمية المستدامة: اشتراك المقاصد وافتراقها Islamic Finance and the Sustainable Development Goals: Convergence and Divergence of Targets

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Master's student at Marmara University Institute of Islamic Economics and Finance (MUISEF)

Saim KAYADİBİ

Prof. Dr. at Marmara University Institute of Islamic Economics and Finance (MUISEF)



Friday to Sunday, May 30-June 1, 2025



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التمويل الإسلامي وعلاقته بأهداف التنمية المستدامة







التنمية المستدامة: تفي باحتياجات الحاضر دون الإخلال بقدرة الأجيال الوفاء المقىلة (احتياجات، قيود). التمويل تقوم به الاحتياجات، والامتناع عن التمويل تتحقق به بعض القيود [ضرر أو إضرار] الأنشطة المباحة ما خلت عن ربا، غرر، ضرر، واضرار. الطرق المباحة للتمويل: انتقال (طبيعي، قربة، حيازة، مبادلة) أو كسب (عقود الاعمال المنعقدة على الأبدان). **أنواعه**: مشروع، مباح، محرم.

مفهومه: توفير الموارد المالية والاقتصادية











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علاقة مقاصد الشريعة الكلية بأهداف التنمية المستدامة



المقاصد الكلية: المعاني والحكم الملحوظة في معظم آلتشريع التمويل وغيره

القصد الأول الذي جاءت من أجله التشريعات: المصالح برتبها الثلاث

الضرورية التي لابد منها للمصالح يخلّ فقدها بها، والحاجيات رفع حرج، والتحسينية مصلحة دون

















Path to Influential Global Economy

علاقة مقاصد الشريعة الكلية بأهداف التنمية المستدامة





المقاصد الكلية: المعاني والحكم الملحوظة في معظم التشريع التمويل وغيره

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Path to Influential Global Economy

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Path to Influential Global Economy

مقاصد الشريعة الخاصة بالأموال وعلاقتها بأهداف التنمية

ل الاستثماري	مقاصد التموي	مقاصد التمويل الخيري		
معاملات بدنية	معاوضات	تبرعات	زكوات	
الحياطة للعملة ومراعاة	الرواج (دولة)، الوضوح	أصلها تكافل لحاجيات	فريضة لسد ضروريات،	
جانبهم فتكثر فرصها	(منع أسباب المنازعة)،	حُرص على تكثيرها،	ولهذا جعلت في أموال	
وترخص في أشياء وتراعي	الحفظ (منع العدوان)،	وتطيب النفوس بها، وألا	مخصوصة، بشروط	
ألا يهضم جانب العامل	الثبات (التوثيق)، العدل.	تكون ذريعة لضياع حقوق	مخصوصة.	
لتحفيز للإنتاج والعمل	مؤداها عمارة الأرض وأ	مؤداها تزكية النفس وسد حاجة المجتمع وخدمته		

مشتركات أهداف التنمية المستدامة مع مقاصد الشريعة الكلية أو الخاصة بالمعاملات والأموال، تجعل الأهداف غرضًا للتمويل إسلامي بأنواعه الاستثماري منه أو التبرعي أو الواجب كالزكوي، وبعض تلك الأهداف تتفق مع مقاصد شرعية لنوع من الأموال أو التعاملات دون أخرى فيقتضى ذلك تخصيصها ببعض الأموال دون بعضها، وما خالف من أهداف التنمية الجزئية مقاصد شرعية فلا يجوز تمويله.

















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نموذج تميز ما ينسجم من أهداف التنمية مع مقاصد الشرع

الهدف الأول: القضاء على الفقر							
مستنده	، المالية	مكانه من المقاصد المالية					
فقرة/ تعليل	يتفق	لا يتعارض	العلاقة	مقاصد الهدف			
2-1-4 /1-1-4 4-1-4 /3-1-4	✓	✓	✓	القضاء على الفقر المدقع لجميع الناس في كل مكان.	1-1		
ıı .	✓	✓	✓	خفض نسبة الرجال والنساء والأطفال من جميع الأعمار الذين يعيشون في فقر بجميع أبعاده.	2-1		
أنظمة دولة ومقاصد تشريعات أخرى	×	√	✓	تنفيذ نظم وتدابير حماية اجتماعية على الصعيد الوطني للجميع.	3-1		
فيه ما يخالف مقاصد للتشريع، وموضوعه الضمان وهو موضوع تشريعات أخرى غير تمويلية، وإن كان فيه ما يتفق مع مقاصد تشريعات أخرى يمكن تمويلها.	×	×	×	ضمان تمتع جميع الرجال والنساء، ولا سيما الفقراء والضعفاء، بحقوق متساوية في الموارد الاقتصادية، فضلا عن إمكانية الحصول على الخدمات الأساسية، وملكية الأراضي وغيرها من أشكال الملكية والتحكم فيها، والميراث، والموارد الطبيعية، والتكنولوجيا الجديدة الملائمة، والخدمات المالية.	4-1		















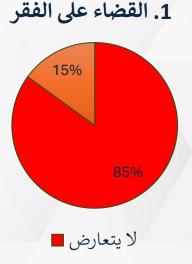


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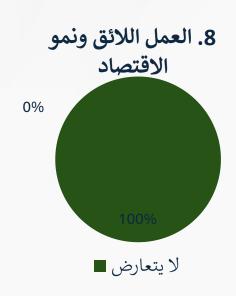






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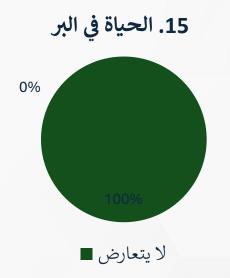




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ملاحظات إضافية	إمكانية التمويل الإسلامي	مدى الاتفاق مع مقاصد الشريعة في الأموال	هدف التنمية المستدامة	#
الزكاة مقيدة بمصارفها	خيري + استثماري (باستثناء بعض المشاريع)	لا يتعارض غالبًا	القضاء على الفقر	1
بعض المشاريع لا تتطلب تمويلًا	خيري + استثماري	لا يتعارض مطلقًا	القضاء التام على الجوع	2
توافق عالٍ مع مقاصد الأموال	خيري + استثماري (وفق شروط الزكاة)	من أكثر الأهداف انسجامًا	الصحة الجيدة والرفاه	3
مناسب للتمويل الاستثماري	استثماري أساسًا	لا يتعارض	التعليم الجيد	4
يخالف بعض مقاصد الشريعة	استثماري جزئيًا	لا يتفق غالبًا	المساواة بين الجنسين	5
مشاريع مقاصده قابلة للتمويل	خيري + استثماري (الزكاة محدودة)	من أكثر الأهداف انسجامًا	المياه النظيفة والصرف الصحي	6
يتفق بدرجة كبيرة مع مقاصد الأموال	جميع أنواع التمويل	لا يتعارض	طاقة نظيفة وبأسعار معقولة	7
بعض المقاصد تتصل بأبواب شرعية أخرى	خيري + استثماري	لا يتعارض	العمل اللائق ونمو الاقتصاد	8
مشابه للهدف الثامن	استثماري (الزكاة غير مناسبة)	لا يتعارض	الصناعة والابتكار والبنى التحتية	9
يتقاطع مع مقاصد السياسة الشرعية	استثماري	لا يتعارض	الحد من أوجه عدم المساواة	10
أكثر مقاصده تتصل بمقاصد الأموال	استثماري	لا يتعارض	مدن مستدامة وآمنة	11
نحو 60% لا تتفق مع مقاصد الأموال	استثماري غالبًا	لا يتعارض جزئيًا	الاستهلاك والإنتاج المسؤولان	12
يشترط الانضباط بالمقاصد الشرعية	استثماري أو امتناع عن تمويل مخالف	قليل الصلة	العمل المناخي	13
تنظيمات للحد من الإفساد	امتناع عن تمويل مشاريع مفسدة	قليل الصلة	الحياة تحت الماء	14
41% تتفق مع مقاصد الأموال	تمويل وفق الضوابط الشرعية	لا يتعارض في المجمل	الحياة في البر	15
90%تتصل بمقاصد شرعية غير مالية	تمويل الداعم أو امتناع عن المخالف	ي لا يتعارض	السلام والعدل والمؤسسات	16
90%لا تتصل بمقاصد الأموال مباشرة	استثمار ممكن وفق الضوابط	لا يتعارض	الشراكات	17



















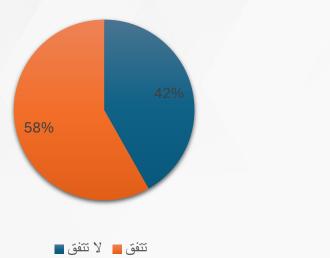


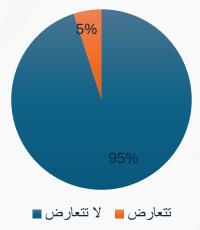
Path to Influential Global Economy

ملاحظات وخلاصات

* أغفل الهدف الخامس من أهداف التنمية المستدامة وهو أكثر الأهداف التي تبتعد مقاصدها عن مقاصد المالية الإسلامية، ومع ذلك ففيه نسبة مقدرة من المجال المشترك الذي يمكن أن تستثمر فيه المالية الإسلامية، يفتقر في قياسها إلى دراسة أكثر تقصياً.

* الغرض الرئيس من العرض السابق ترسيخ فكرة قياس أهداف التنمية المستدامة مع مقاصد الشريعة وفق نماذج يحرص على ضبطها تنظر في الأهداف الفرعية (مقاصد الأهداف) للتنمية المستدامة وفي المؤشرات إن لزم الأمر لتعرف معارضتها للمقاصد الشرعية من عدمها.





* من نتائج النماذج الأخرى المتعلق بمقاصد الشريعة في الأموال نجد أن التعارض المحقق في نحو 5% من أهداف التنمية، لكن لا يلزم من عدم التعارض الاتفاق مع مقاصد الشرع في الأموال.

* الذي لا يتفق مع مقاصد الشرع في الأموال قد يتعارض وقد يكون متعلقًا بغير الأموال، كالقرار السيادي، أو السياسي، وقد يكون المطلوب فيه مجرد امتناعٍ.



















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Path to Influential Global Economy

Workshop Demographic Growth and Islamic Economic Expansion: New Horizons



Friday to Sunday, May 30-June 1, 2025



Istanbul Financial Center (IFC), HALKBANK Building



















Path to Influential Global Economy

Demographic Growth and Islamic Economic Expansion: New Horizons

Dr. Eman Shady

Strategic Thinking Center for Islamic Economy, Albaraka Forum



Friday to Sunday, May 30-June 1, 2025



Istanbul Financial Center (IFC), HALKBANK Building



















Agenda

Topic	Time
Intro & Ice breaking	2:45 -2:55
First Topic: Demography - Concepts, Importance, and Institutions	2:55 – 3:10
Second Topic: The Contemporary Demographic Reality of Muslims	3:10 – 3:30
Third Topic: Factors and projections of demographic growth among Muslims	3:30 – 3:55
Fourth Topic: the economic and social impacts of Muslim demographic growth	3:55 – 4:25
Fifth Topic: Projections of Muslim demographic growth and its impacts: Case studies of non-Muslim countries.	4:25 – 4:40
Recommendation & Concluding Remarks	4:40 - 4:45



















Ice breaking

Which country has the highest birth rate?























Welcome and Intro

- Workshop Rules
- Workshop Management















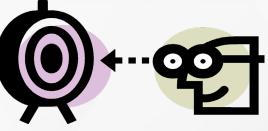


Don't hesitate to ask





Respect others' opinions



Be specific in your comments

Mobile on silent

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Workshop Rules



Listen carefully to the other opinion



Punctuality



Cooperation for a successful workshop







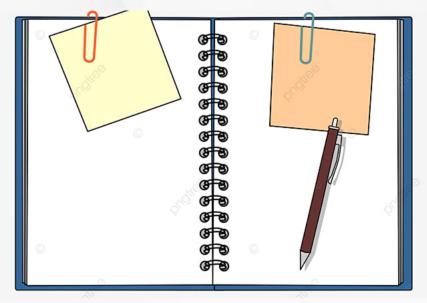












Effective Management





Time Manager





















Path to Influential Global Economy

Concepts, Importance, and Institutions



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Basic Definitions

Match the following concept to its definition, using this QR









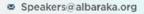


















Importance of Demography

What is the importance of Demography?























Importance of Demography

- 1. Planning for population needs: A deep understanding of population growth trends.
- 2. Sustainable economic development: Stimulating economic growth and increasing productivity."
- 3. Directing investments based on demographic composition.

Other points:

- Effective population planning
- Achieving social balance
- Responding to future challenges









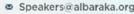














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Institutions involved in demographic

projections

- What are the institutions that work on demographic projections?
- UN World Population Prospects
 Specialized entities in general population projections and their growth
- World Bank
- UNFPA



















Specialized entities & their Work

- Pew Research Center
- Population Reference Bureau











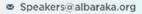


















ISLAMIC ECONOMICS STRATEGIES:

Path to Influential Global Economy

Second Topic: The Contemporary Demographic Reality of Muslims



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Muslim Population distribution around the world

- The number of Muslims is currently 1.9 billion, representing about 24.9% of the world's population.
- Muslims are distributed diversely around the world, with high population density in regions such as Southeast Asia, the Middle East, and North Africa.

Religious Affiliation	2010	2020	2030	2040	2050
Christian	31.4	31.1	31.0	31.1	31.4
Muslim	23.2	24.9	26.5	28.1	29.7
Unaffiliated	16.4	15.6	14.8	14.0	13.2
Hindu	15.0	15.2	15.2	15.1	14.9
Jewish	< 1.0	< 1.0	< 1.0	< 1.0	< 1.0
Other affiliations	< 1.0	< 1.0	< 1.0	< 1.0	< 1.0
Buddhist	7.1	6.6	6.1	5.7	5.2
Folk affiliation (Shinto – Fudo)	5.9	5.6	5.4	5.1	4.8



















Muslim Population Distribution in Continents

- The following table shows the distribution of Muslims in the continents according to Pew center 2010 and 2020.
- It is noticed that the Muslims are concentrated in Africa and Asia, while they are minorities in other continents.









































Demographic Differences between Islamic and Non-Islamic Countries

- Would you please access the link and select an Islamic country and a non-Islamic country.
- Compare the differences (e.g., the percentage and number of Muslims and non-Muslims)
 Within 5 minutes.
- Who would like to share/ present the differences in two minutes?















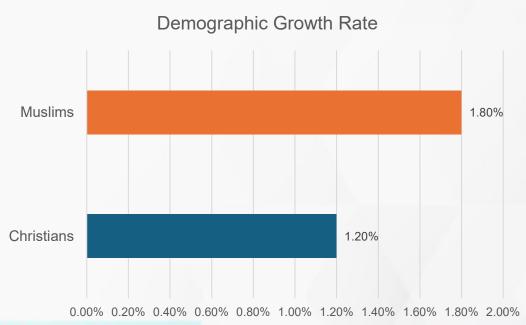






Comparison of Demographic Growth between Religions

- Comparison of demographic growth between religions
- Demographic gift

























Comparison of Demographic Growth between Religions

 The following table presents the distribution of Muslims and other religious affiliations by continent according to the Pew Research Center for the years 2010 and 2020















Year	Continent	Buddhist	Christian	Folk affiliation	Hindu	Jewish	Muslim	Other affiliations	Unaffilia ted	BAL MIC NOMY IMIT TANBUL
2010	The World	7.1	31.4	5.9	15.0	< 1.0	23.2	< 1.0	16.4	
2010	North America	1.1	77.4	< 1.0	< 1.0	1.8	1.0	< 1.0	17.1	
	Latin America and the Caribbean	< 1.0	90.0	1.7	< 1.0	< 1.0	< 1.0	< 1.0	7.7	
	Europe	< 1.0	74.5	< 1.0	< 1.0	< 1.0	5.9	< 1.0	18.8	
	Middle East and North Africa	< 1.0	3.7	< 1.0	< 1.0	1.6	93.0	< 1.0	< 1.0	
	Sub-Saharan Africa	< 1.0	62.9	3.3	< 1.0	< 1.0	30.2	< 1.0	3.2	
	Asia and the Pacific	11.9	7.1	9.0	25.3	< 1.0	24.3	1.3	21.2	
2020	The World	6.6	31.1	5.6	15.2	< 1.0	24.9	< 1.0	15.6	
2020	North America	1.2	74.6	< 1.0	< 1.0	1.6	1.3	< 1.0	19.2	
	Latin America and the Caribbean	< 1.0	89.7	1.8	< 1.0	< 1.0	< 1.0	< 1.0	8.0	
	Europe	< 1.0	72.2	< 1.0	< 1.0	< 1.0	6.8	< 1.0	20.0	
	Middle East and North Africa	< 1.0	3.6	< 1.0	< 1.0	1.6	93.1	< 1.0	< 1.0	
	Sub-Saharan Africa	< 1.0	62.0	3.2	< 1.0	< 1.0	31.4	< 1.0	3.0	
	Asia and the Pacific	11.3	7.2	8.6	26.0	< 1.0	25.7	1.2	20.0	





















Indicators of commitment among those who do not adhere to religious rituals

- Growth of the halal products market
- Islamic finance
- Investment in halal projects
- Cultural awareness
- Compliance with Sharia standards
- International trade
- Halal tourism
- Use of technology





















ISLAMIC ECONOMICS STRATEGIES:

Path to Influential Global Economy

Third Topic: Factors and projections of demographic growth among Muslims







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Factors that influenced demographic growth in the past

- Migration
- Islamic conquests





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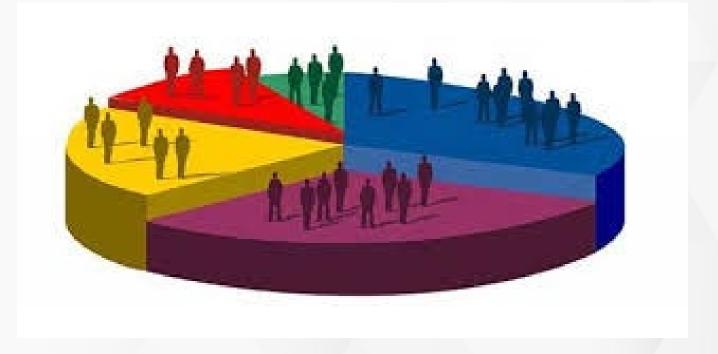






Factors that Currently Influence Demographic Growth-Migration

- The impact of migration on demographic growth.
- Internal migration.
- External migration.























Migration Rates from 1990 to 2020 According to Religious Affiliation

• In general, an increase in the migration rate among Muslims can be observed during the period from 2010 to 2020, while the migration rate among Christians and other affiliations has

declined.

Why has Muslim migration increased?



Religious Affiliation	1990	2000	2010	2020
Christian	47.5	48.9	48	46.6
Muslim	26.1	24.3	25.9	28.7
Unaffiliated	14.2	14.7	13.8	13
Hindu	6	5.4	5.1	4.8
Buddhist	3	3.5	4.1	3.9
Jewish	1.5	1.5	1.3	1.1
Other affiliations	1.7	1.7	1.8	2

















demographic growth- Natural population increase

- The impact of natural increase on population growth
- Natural increase: the difference between the birth rate and the death rate.
- Economic and social conditions that contributed to natural increase.
- How did these conditions affect the population?
- Increase in birth rates and decrease in death rates















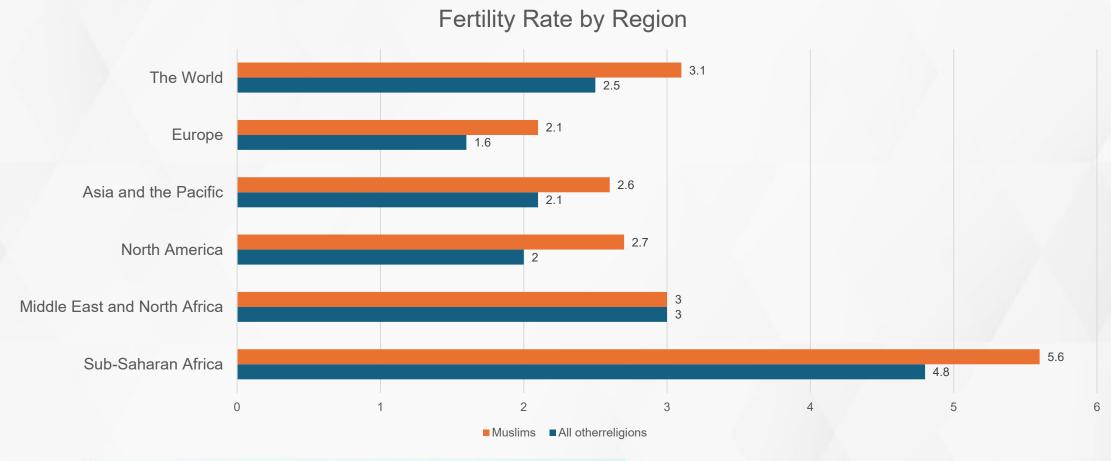








Working groups by region























Muslim demographic growth projections

 Analysis of recent data on the global Muslim population distribution and growth projections for 2050.

Year	Region	Buddhists	Christians	Folk Religions	Hindus	Jews	Muslims		Unaffiliate d
2050	World	5.2	31.4	4.8	14.9		29.7	< 1.0	13.2
2050	North America	1.4	65.8	< 1.0	1.3	1.4	2.4	1.5	25.6
	Latin America- Caribbean	< 1.0	88.9	1.9	< 1.0	< 1.0	< 1.0	< 1.0	8.7
	Europe	< 1.0	65.2	< 1.0	< 1.0	< 1.0	10.2	< 1.0	23.3
	Middle East-North Africa	< 1.0	3.1	< 1.0	< 1.0	1.4	93.7	< 1.0	< 1.0
	Sub-Saharan Africa	< 1.0	58.5	3.2	< 1.0	< 1.0	35.2	< 1.0	2.7
	Asia-Pacific	9.6	7.7	7.4	27.7	< 1.0	29.5	< 1.0	17.0















What is the impact of Muslims' growth in Europe?























Future Opportunities & Challenges

 Economic and social opportunities (related to Islamic economics and Islamic finance products). Economic and social challenges.

Working groups: Divide the attendees into groups based on the

number. One group will discuss opportunidiscuss challenges, then present the find

Work and presentation time: 10 minutes



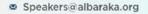














ALBARAMETUTURE Opportunities for Islamic economy























Future Challenges Islamic economy





















ISLAMIC ECONOMICS STRATEGIES:

Path to Influential Global Economy

Fourth Topic: the Economic and Social Impacts of Muslim Demographic Growth



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The Economic and Social Impacts of Muslim Demographic Growth

- Working Groups: Five groups, each focusing on one of the following topics. Each group will access a QR Code, and write on it the effects of Muslim demographic growth concerning the following topics within 5 minutes. Then, one member from each group will present their major ideas for 4 minutes, followed by a 5-minutes to comment on the other group's work on the last QR Code.
- G1: Effects on production and investment
- G2: Effects on resources and consumption
- G3: Effects on services and infrastructure
- G4: Effects on market size and investment opportunities
- G5: Social challenges related to population growth (unemployment, education, health) & How can Islamic economic institutions invest in these















Greent on production and investment























ALBARAKA SUCE 2: Effects on resources and consumption



















G3: Effects on services and infrastructure







TÜRKİYE















G4: Effects on market size and investment opportunities

















economic institutions invest in these























Exchanging Experience





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Effects on Production and Investment

- Workforce and Productivity
- Production of halal products
- Increase in investments in Islamic finance
- Increase in government spending on infrastructure



















Effects on resources and consumption

Increase in demand for Sharia-compliant products.



















Effects on services and infrastructure

- Numbers and types of infrastructure (mosques)
- Less diverse and more homogeneous cities
- Middle Eastern culture and existing challenges
- Water desalination
- Food imports
- Pressure on educational and employment services
- Excessive urban expansion





















Effects on market size and investment opportunities

- Expands the market for Sharia-compliant goods and services
- Increases investment opportunities in Sharia-compliant goods and services
- Encourages multinational companies to participate in the halal/Islamic economy space and innovate products



















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Fifth Topic: Projections of Muslim demographic growth and its impacts: Case studies of non -Muslim countries.



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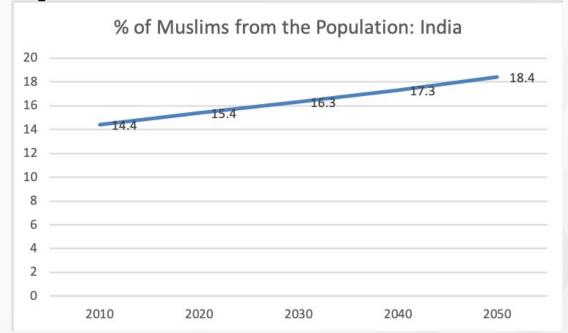




Projections of Muslim demographic growth and its impacts: India

Impacts:

Future workforce, **Production and consumption of** Islamic finance products, Education and skill development, Social and economic integration, Investment in infrastructure.



Current Islamic Service

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Mura baha Bank Acco unts

Micro Finan ce

Invest ment

VICOIS tion in Share

Potential Market to Islamic **Finance**















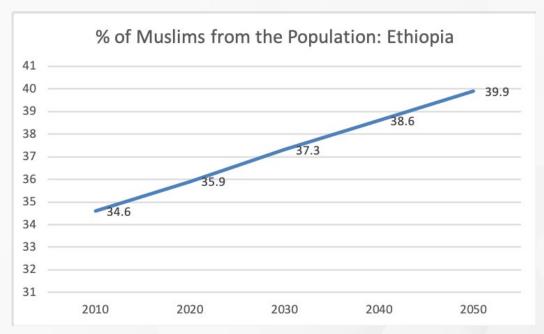




Projections of Muslim demographic growth and its impacts: Ethiopia

Impacts:

Future workforce, **Production and consumption of** Islamic finance products, **Urban migration**, Education and skill development, Social and economic integration, Investment in infrastructure.



Sam

Insura





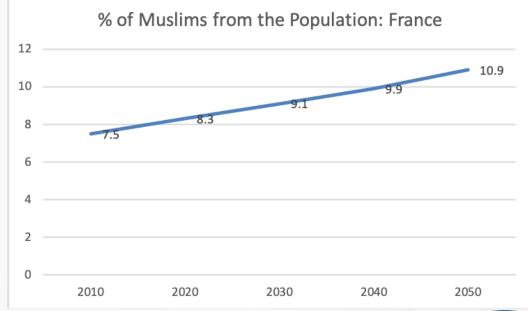




Projections of Muslim demographic growth and its impacts: France

Impacts:

Future workforce,
Production and consumption of
Islamic finance products,
Increased tax revenue,
Stimulation of the local economy,
Investment in education and skill
development,
Social and economic integration.



Legal Adjustme nts

Ijara

Mura baha

Sukuk

Current Islamic E. Service

Savin g & Invest ment

Home Financ ing

Retai I Potential
Market to
Islamic
Finance





















ISLAMIC ECONOMICS STRATEGIES:

Path to Influential Global Economy

Recommendations



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Strategic Recommendations for Islamic Economic Executives

- Leverage the demographic dividend by investing in youth training, entrepreneurship, and women's economic participation.
- Innovate Islamic finance products to serve low-income and young populations, and expand digital financial inclusion.
- Target high-growth Muslim markets (e.g., India, Nigeria, France) with tailored halal goods, services, and partnerships.
- Support smart urban and social development through investments in education, healthcare, and infrastructure aligned with Islamic values.
- Adopt data-driven planning by building demographic analytics
 units and collaborating with research institutions for informed







ISLAMIC ECONOMICS STRATEGIES:

Path to Influential Global Economy

Concluding Remarks







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Concluding Remarks

- Population growth achieves sustainable development (through effective management and planning).
- The population growth of Muslims supports economic growth, especially through Islamic economic products.
- Supporting economic growth through improving infrastructure and encouraging investments (including Islamic economic products).



















Contact Us

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