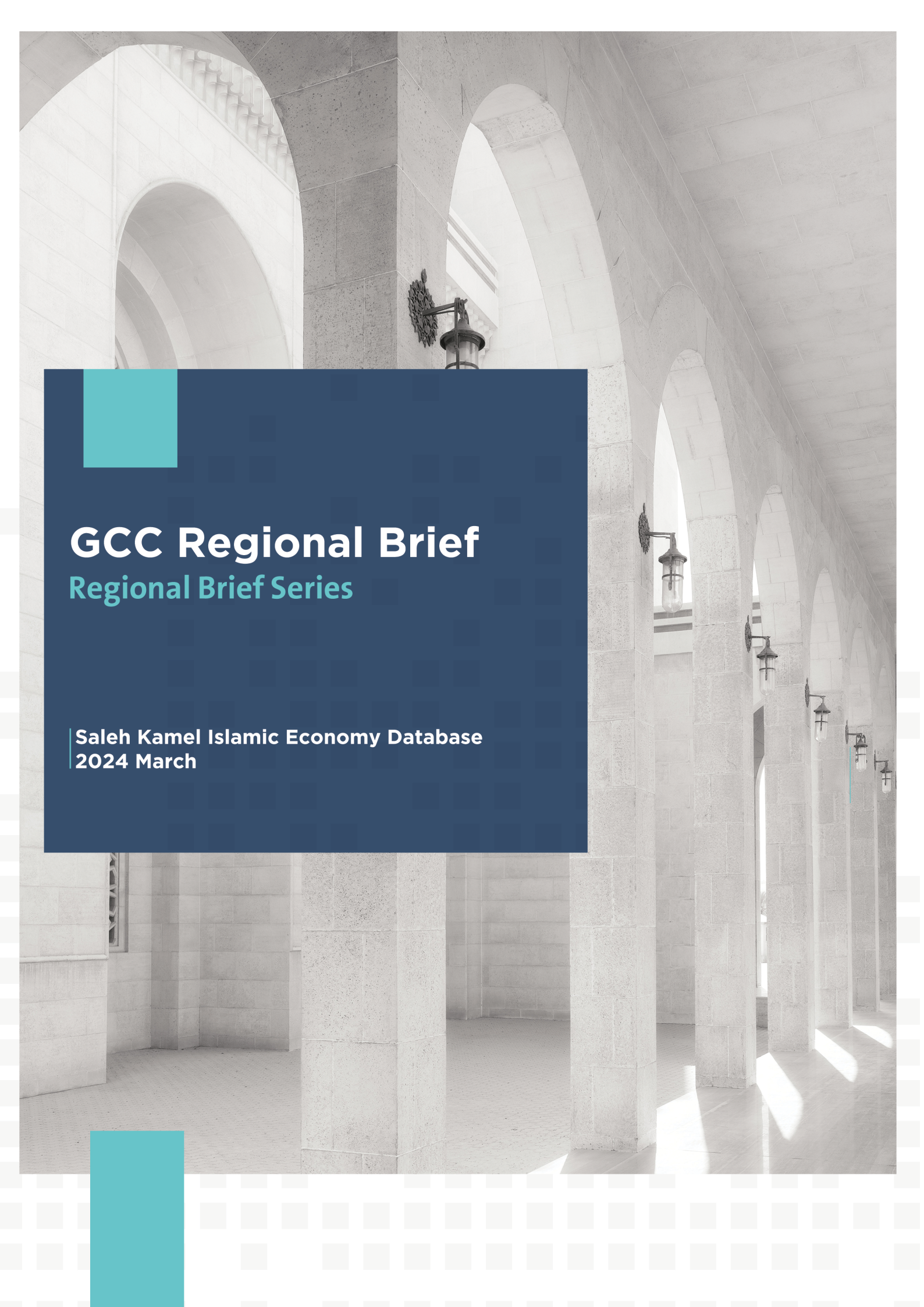


The background of the cover is a black and white photograph of a long, covered walkway with a series of large, repeating stone arches supported by thick pillars. Sunlight filters through the arches, creating a pattern of light and shadow on the floor. A teal square is located in the top left corner of the dark blue text box, and a teal vertical bar is at the bottom left of the page.

GCC Regional Brief

Regional Brief Series

Saleh Kamel Islamic Economy Database
2024 March



قاعدة بيانات صالح كامل للاقتصاد الإسلامي
Saleh Kamel Islamic Economy Database



Contents

▪ GCC Islamic Economy.....	2
▪ Islamic Banking.....	3
▪ Takaful.....	5
▪ Islamic Investment Companies.....	6
▪ Islamic FINTECH.....	7
▪ Halal Industry.....	9
▪ Country Focus - UAE.....	10



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GCC Islamic Economy



Islamic Banks

35



Islamic Windows For Conventional Banks

40



Islamic Digital Banks

5



Takaful

51



*Investment Company

72



**Islamic Finteh

108



Halal Accreditation Bodies

3



Halal Certification Bodies

12

*Including Ijarah and microfinance

**Including Islamic digital banks



Islamic Banking

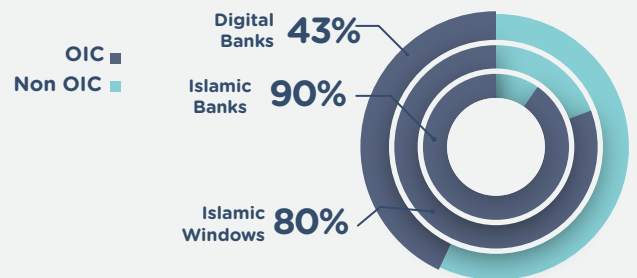
1 Islamic Banking Institutions by Region

Region	Islamic Banks	Islamic Windows	Digital Banks
Other MENA	35.62%	21.15%	
GCC	18.26%	22.44%	21.74%
Southeast Asia	15.07%	15.38%	8.70%
Sub-Saharan Africa	9.59%	7.05%	4.35%
South Asia	9.13%	23.72%	4.35%
Europe	7.31%	5.13%	43.48%
Other Asia	2.74%	1.28%	
Central Asia	1.83%	1.28%	
Americas	0.46%	1.92%	8.70%

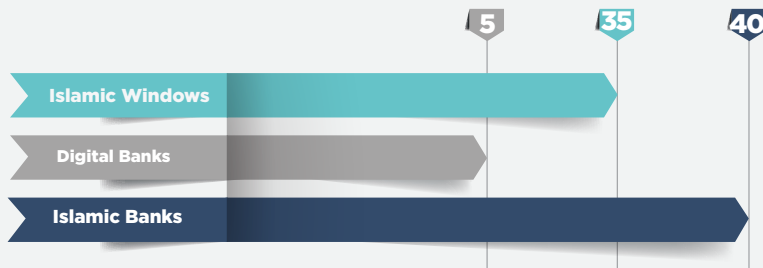
GCC offers a diversified Islamic financial service range. With its growth and resilience; GCC is one of the most significant players in the global financial landscape driven by a strong demand and regulatory support. With more than 18% of the total Islamic banks globally, following other MENA with 35%.

90% of fully fledged Islamic banks and 80% of the Islamic windows are located in OIC member countries, while 43% of the Islamic digital banks are in OIC member countries.

2 Islamic Banking Institutions by OIC Membership



3 Distribution of Islamic Banks, Digital Banks, and Islamic Windows in GCC



GCC Islamic banking sector is covered by 80 entities; half of them are fully fledged Islamic banks, 35 Islamic windows and 5 Islamic digital banks.



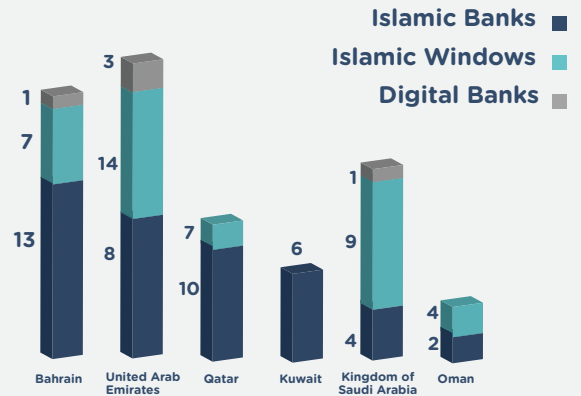
قاعدة بيانات صالح كامل للاقتصاد الإسلامي
Saleh Kamel Islamic Economy Database



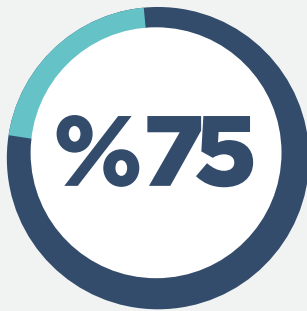
<<Regional - By Country>>

Within GCC countries, Bahrain is the home of the highest number of fully fledged Islamic banks with 13 Islamic banks followed by UAE with 8 Islamic banks. UAE is the home of the largest number of Islamic windows for conventional banks with 14 Islamic window, followed by Saudi Arabia with 9 Islamic windows.

4 Islamic Banking Institutions By GCC Countries



5 The Share of the Top 3 Countries in Islamic Banking Institutions in GCC Region



As for the total number of entities providing Islamic banking services in GCC, the top 3 countries are UAE, Bahrain and Saudi Arabia; respectively. Altogether, they represent 75% of the total Islamic banking institutions in the GCC.

6 Top 3 Countries based on the Number of Islamic Banking Institutions in GCC



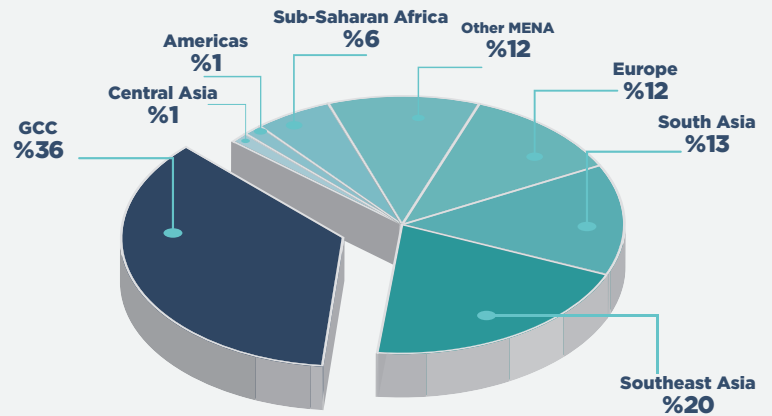


Takaful

Takaful in GCC is an integral part of the Islamic finance industry, offering sharia-compliant insurance based on principles of mutual cooperation, risk-sharing, and sharia compliance. Takaful sector in GCC accounts for of the total Takaful %35 more than service providers globally. Followed of the global %20 by southeast with service providers

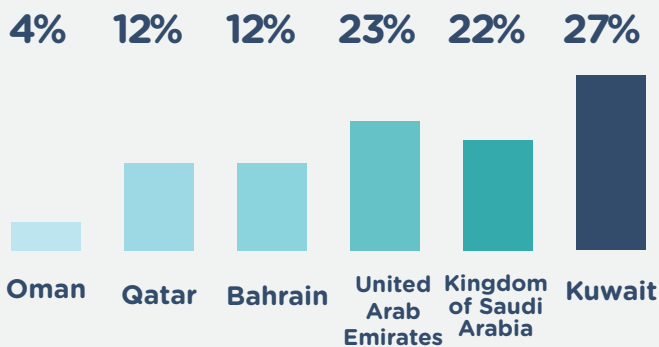
<<Global Mapping>>

1 GCC Market Share from Takaful Companies



<<Regional - By Country>>

2 Takaful Companies across GCC Countries



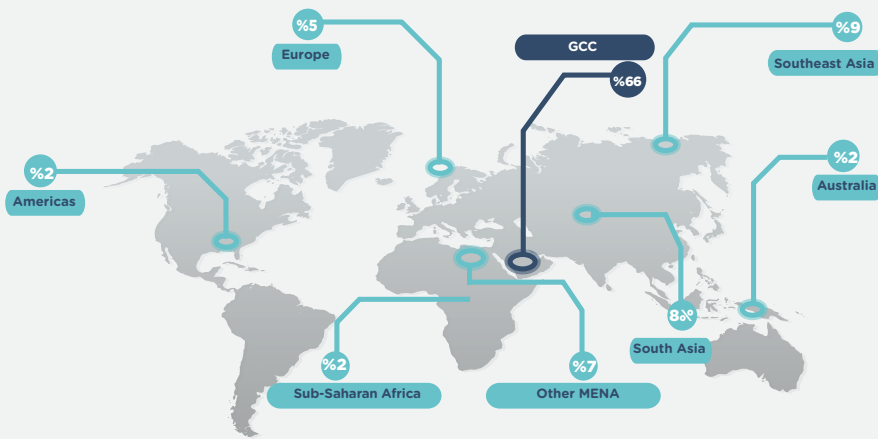
The highest number of GCC's takaful companies are based in Kuwait followed by UAE and Saudi Arabia with 27%, 23% and 22% respectively.



Islamic Investment Companies

<<Global Mapping>>

1 GCC Market Share From Islamic Investment Companies

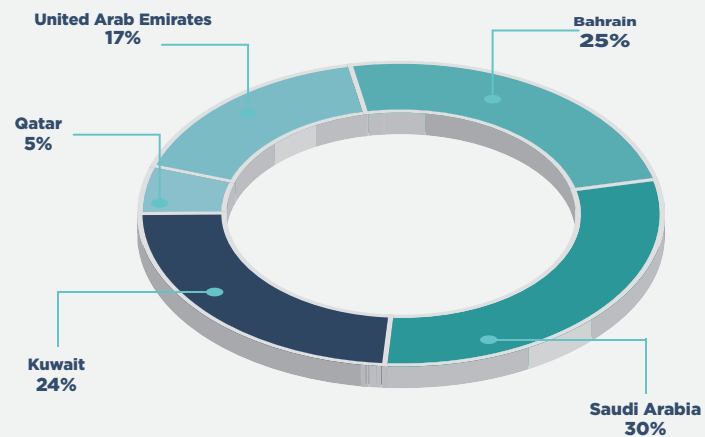


Islamic investment companies in the GCC region plays a significant role to meet the needs of the investors, and fill the gap providing sharia compliant services that are not well served by Islamic banking sector. Operating within a well-established regulatory framework, these companies contribute to the growth of the Islamic finance industry in the GCC, providing access to a diversified investment portfolios while promoting ethical practices.

<<Regional - By Country>>

2 Islamic Investment Companies Across GCC Countries.

The vast majority of the investment companies are in the GCC region with 67% of the total number of companies globally. Saudi Arabia has 30% of the investment companies of the GCC which puts it in first rank in its region followed by Bahrain with 25%.



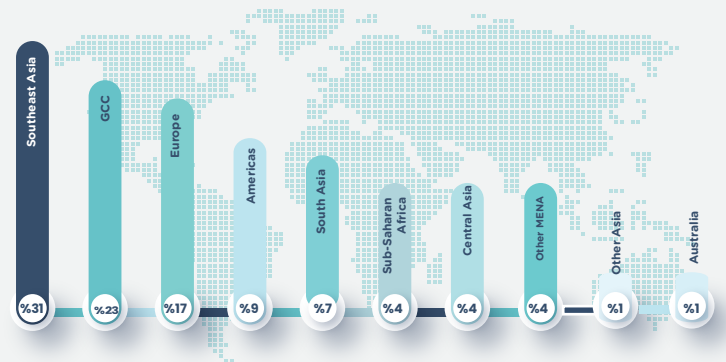


Islamic FINTECH

Islamic FINTECH companies in the GCC region merge Islamic finance principles with technological innovation to offer Sharia-compliant financial solutions. Leveraging digital platforms, they aim to enhance financial inclusion, develop innovative products, ensure regulatory compliance, and foster partnerships to drive growth in the Islamic FINTECH Ecosystem. GCC comes in the second place of the ranking for the global fintech companies with 23% following southeast Asia with more than 30% of the total companies worldwide.

«Global Mapping»

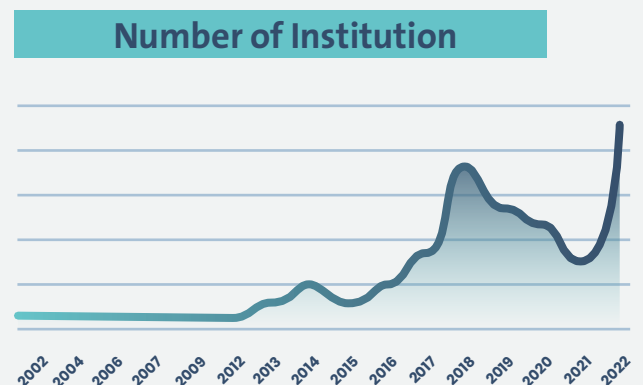
1 GCC Market Share from Islamic Fintech



The vast majority of the fintech companies were established between the year 2015 and 2020. While the year 2021 witnessed a downturn, the year 2022 witnessed a booming in establishing fintech companies.

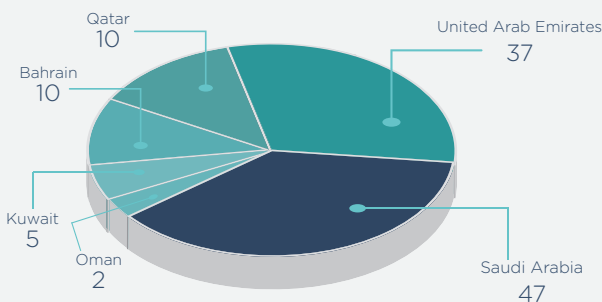
«Islamic Fintech Trend»

3 Fintech Trend in GCC from 2000 to 2022



«Regional - By Country»

2 Fintech across GCC Countries



Saudi Arabia dominates the fintech industry in the GCC region with 47 companies out of a total of 108 companies followed by UAE with 37 Islamic fintech companies.

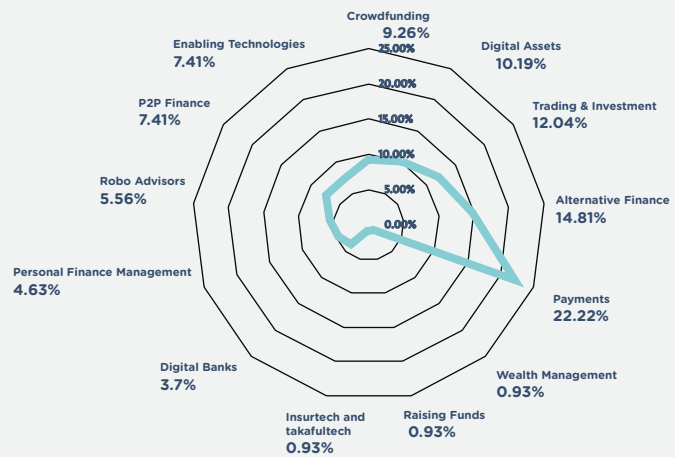


مَآدَّة بَيَانَات صَالِح كَامِل لِلَاقْتِصَاد الْإِسْلَامِي
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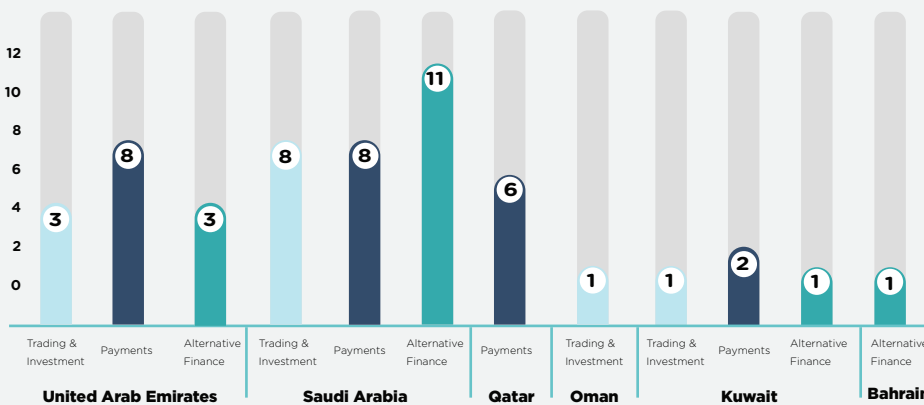


Payments is a widely spread service with 22% of the overall service provided by Islamic fintech companies. Followed by alternative finance with 14%.

4 Percentage of Spread of each Service of Fintech in the GCC



5 Services 3 Number of Institution by Country and Top



While payments is the dominated Islamic fintech service provided by firms in GCC, payments came second to alternative finance in Saudi Arabia the country with the highest concentration of fintech firms

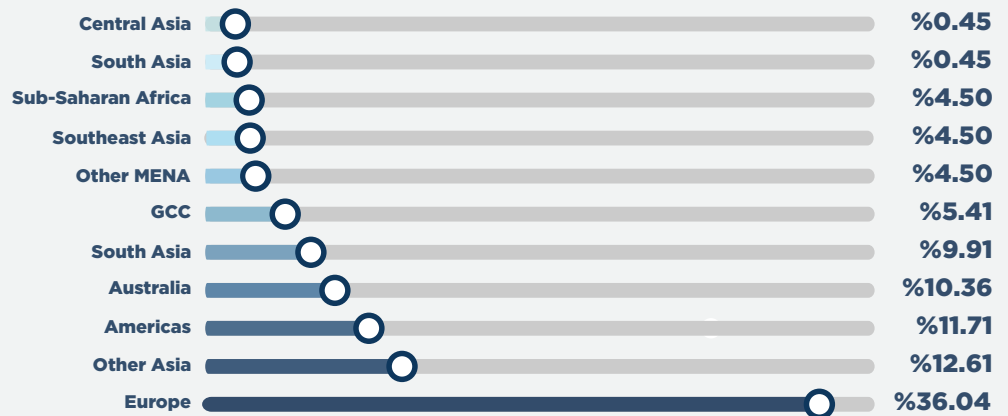


Halal Industry

The Halal industry in the GCC region spans various sectors, including food, cosmetics, pharmaceuticals, fashion, tourism, and more. It caters to the needs of Muslim consumers by providing products and services that comply with Islamic principles.

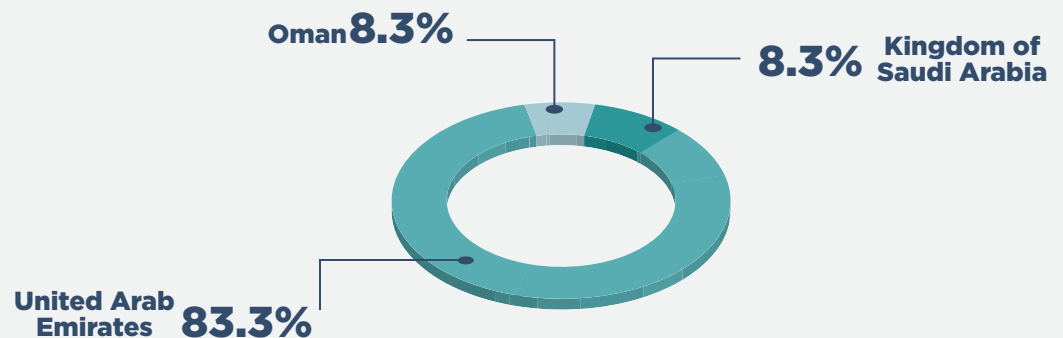
<<Global Mapping>>

2 GCC Market Share from Halal Certification Bodies.



<<Regional - By Country>>

3 Percentages of Accredited Certification Bodies by GCC Country



36% of the certification bodies globally are owned by GCC with 12 certification bodies most of which are in UAE.



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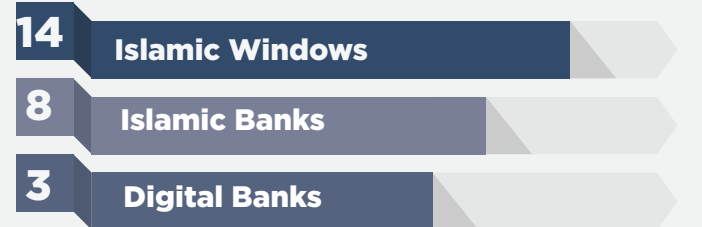


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Country Focus - UAE

The Islamic finance industry has become a vital part of the UAE's economy. It has developed over a whole range of sectors; banking, Takaful, investment companies, Halal industry....etc.

1 United Arab Emirates - Islamic Banking Institutions



The Islamic banking sector which consists of Islamic banks and conventional banks' Islamic windows have expanded 16% over the past five years which accounts for 23% of the UAE's total banking assets. According to the UAE Islamic finance report 2023, in 2022 Islamic banking sector's assets (which includes Islamic banks and Islamic windows) totaled AED 845 billion, recording a 3% increase in compound annual growth rate over the past 5 years¹.

¹-Central bank of the UAE, 2023, UAE Islamic finance report 2023: the year of sustainability, 25.

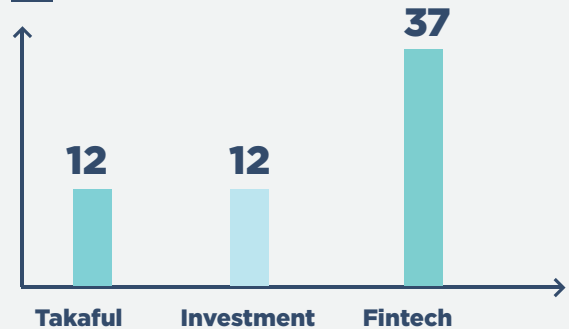


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The UAE Takaful sector consists of 12 Takaful and re-Takaful companies, out of the 62 insurance companies operating in UAE. In 2022, Takaful assets have reached AED 14.2 billion declining by 4% since 2021². The Islamic investment companies and fintech sectors in UAE are playing a key role in Islamic finance industry with 12 and 37 institutions respectively.

2 Other Islamic Financial Institutions in UAE



UAE's Islamic finance industry has seen such development since its introduction in 1975 supported by a strong and encouraging regulatory environment. The Islamic finance industry has seen several efforts focused on introducing a legislation and standardizing sharia principles. These endeavors seek to bolster the stability of the Islamic financial system and facilitate the creation of inventive products and services. A significant milestone in this regard was the introduction of the commercial transactions law (federal decree-law no. 2022/50), which provides the market with the legal support to expand.

2-Central bank of the UAE, 2023, UAE Islamic finance report
2023: the year of sustainability, 33.



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