



by Assistant Governor Suhaimi Ali Kuala Lumpur Islamic Finance Forum 2025 | Kuala Lumpur

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Islamic finance industry continues to support sustainable economic growth

1 2 1	Growing market share ¹			
	47%	25%	64%	
Strong market presence	Islamic banking	Takaful	Sukuk	
	Supported by solid growth ²			
	8.6%	3.5%	6.8%	
	Islamic banking	Takaful	Sukuk	
44	RM198 Suki	uk issuance to fur ors	nd real econor	

Supporting	RM198 billion (USD47 bil)	Sukuk issuance to fund real econom sectors
Supporting economy	8.3%	Business financing growth to meet demand across economic sectors
Z.	13.9%	Growth of financing disbursed to microenterprises and SMEs
Financial inclusion	19.6%	Penetration rate of family takaful

Supported by enabling regulatory and market infrastructure



Comprehensive legal regulatory framework integrating **Shariah** considerations



Globally aligned prudential standards that considers value-based innovation and unique Islamic finance risks



Market infrastructure promote transparency and operational efficiency



Diverse market players with growing regional and international capabilities

² Based on 5-year compounding average growth rate from 2020 to 2024.



Total Islamic financing is the proportion of Islamic financing relative to the overall financial ecosystem. Takaful market share represents net contributions from both family and general takaful, while sukuk market share is the ratio of outstanding sukuk to the combined total of sukuk and bonds.

Driving Islamic finance growth through innovation and institutional capabilities

Key imperatives for sustainable growth and financial resilience



Advance capabilities and impact measurements through value-based intermediation



Drive innovation and build institutional capabilities to unlock key areas

iCITA

Widening risk-sharing offerings to provide diverse risk-reward options



TEK Potential of waqf and zakat as impact-driven financial tools



Islamic finance as primary choice for halal economy and sustainable finance



Harness technology to deliver Magasid Shariah



Develop future-ready talent for Islamic finance leadership to drive regional and global aspirations



Key initiatives to facilitate innovation



- i-CITA, an initiative to co-create innovative pilot risk-sharing solutions for inclusion and impact
- Promotes experimentation and scaling of Shariah-compliant financial innovations
- RM100 million matching fund by the Government for risk-sharing instruments in critical sectors (e.g. food security and climate resilience)



Social blended protection

- Expansion of iTEKAD with risk protection component to lowincome microentrepreneurs
- Strengthen financial resilience by integrating social finance instruments
- Supported with RM5 million matching grant in combination with social or philanthropic funds



Sustainability agenda



Deployment of innovative solutions for climate/nature projects via public, private & philanthropic finance

Greening Halal Businesses Programme for halal businesses to adopt sustainable practices.

- For risk sharing: Interested banks can reach out to Bank Pembangunan Malaysia Berhad on i-CITA
- For iTEKAD protection: Interested takaful operators can reach out to the Bank via itekadprotection@bnm.gov.my

