BANK NEGARA MALAYSIA
CENTRAL BANK OF MALAYSIA

Expanding Opportunity Through Islamic Finance

Philippine Islamic Finance Forum 2026

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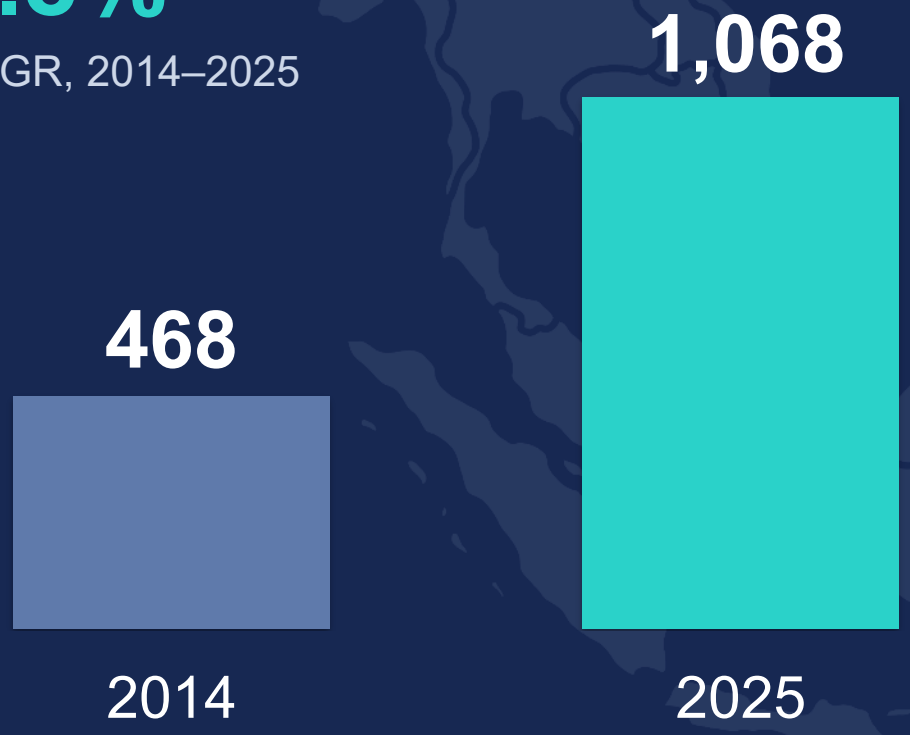
ASEAN: A growing regional base for Islamic finance

Islamic financial assets in ASEAN

USD billion

7.8%

CAGR, 2014–2025



Islamic finance's wider role

1. **Infrastructure funding**
   Supporting public and private infrastructure funding needs
2. **Wider financial inclusion**
   Improve inclusion to underserved households
3. **Support business growth**
   Wide range of instruments to support businesses including the halal industry
4. **ESG and SRI investments**
   Green sukuk and long-term sustainable investment

Sources: LSEG (2025), BNM Annual Report 2025, IFSB (2022), World Bank–IsDB (2025)

Key foundations for sustainable Islamic finance



Legal, Shariah and regulatory

Tax parity, prudential and regulatory that caters to distinctive feature of Islamic finance and sound Shariah governance



Financial ecosystem

Well-functioning intermediation ecosystem including liquidity management solutions



Talent pool and ancillary services

Talent pool that possess financial acumen with Shariah understanding



Public trust

Clear choices, fair treatment and value propositions to customers

Islamic finance to support socio-economic needs

Case example:

iTEKAD: providing complete ecosystem support to microentrepreneurs

- ***Seed capital***
- ***Microfinance***
- ***Business training***

As at June 2026

92%

Business growth

Increased monthly sales



2,400

New jobs created



85%

Income resilience

Saved up to £740 monthly income

5,096

Entrepreneurs graduate



81%

Digital upskilling

via online sales and marketing



Based on a sample of microentrepreneurs who graduated from the iTEKAD programme.

ASEAN’s opportunities for Islamic finance

1 Halal trade & value chains

Expand Shariah-compliant trade finance, working capital and supply-chain solutions to connect regional halal producers with global markets.

2 Sukuk & Islamic capital markets

Mobilise long-term funding for infrastructure, energy transition, digital connectivity and other strategic investment needs.



3 Financial resilience & inclusion

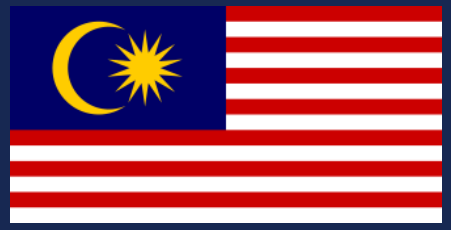
Broaden access through takaful, microfinance and social finance, while strengthening household and MSME resilience.

4 Talent & Capability Development

Building Shariah, finance, digital and sustainability expertise to strengthen ASEAN’s talent pipeline.

Collaboration between Malaysia and the Philippines aims to contribute to a more connected ASEAN financial ecosystem that supports trade, investment and inclusive growth

Malaysia



The Philippines

