

EMBRACING MAQASID AL-SHARIAH AND SUSTAINABLE DEVELOPMENT GOALS IN TAKAFUL BUSINESS

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ABSTRACT

Takaful, as an Islamic alternative to conventional insurance, has garnered significant attention due to its foundation in cooperation, mutual assistance, and Shariah compliance. This unique model is not only aligned with Islamic principles but is also seen as contributing to global financial security. Beyond its immediate financial benefits, takaful is increasingly recognized for its potential to support broader social and environmental objectives, including those outlined in the United Nations' Sustainable Development Goals (SDGs). The principles of takaful, particularly in terms of wealth protection and risk-sharing, resonate strongly with the goals of poverty reduction, responsible consumption, and social equity advocated by the SDGs. This article delves into a comparative analysis of the maqasid al-Shariah (objectives of Islamic law) and the SDGs, exploring their synergies and areas of potential integration within the takaful business framework. Both frameworks emphasize ethical values, social justice, and the promotion of well-being, making them highly compatible. The study adopts a qualitative research approach, utilizing doctrinal methods based on comprehensive library research and document analysis. The findings reveal that maqasid al-Shariah and the SDGs are complementary in their objectives, with both contributing to a more sustainable and ethical takaful industry. The article concludes with recommendations for integrating these two frameworks to enhance the higher objectives of Shariah in the takaful business. Such integration could foster a more holistic approach to financial services, ensuring that takaful not only meets Shariah requirements but also contributes to global efforts towards sustainability and social justice.

Keywords: Maqasid al Shariah; takaful business; insurance; Sustainable Development Goals; Shariah.

INTRODUCTION

The term takaful is no longer foreign in the realm of Islamic finance. Although its term is not directly mentioned in the Quran, it, however, derives its foundation from the practice of the Arab tribal system of *aqilah* during the time of the Prophet SAW based on helping tribe members who bore liability for *diyyat* payment (Ahmed, 2023). This connotes the Islamic version of conventional insurance due to its similarity concerning the nature of indemnity for loss that occurred and the attachment of risk to it, leading to both being a provision of protection to their

respective customers. However, there are still many differences insofar as their terms of legal mechanisms and implementation of takaful (Dikko & Abdullah, 2015). In general, the contract involved in conventional insurance involves the selling of an indemnity in exchange for a premium, resulting in the risk of being wholly transferred to the insurance company rather than the policyholder. On the other hand, the principle in takaful revolves around mutual indemnity, as the participants are indemnified mutually with the risk being shared between them. The contribution made is based on donations (Faizal & Shaifulazlee,

2013). The practice of takaful has received wide acceptance from various countries around the world and is related to the fulfilment of the SDGs as introduced by the United Nations (“UN”) back in 2015. The future of takaful has demonstrated a significant promise to positively contribute to the achievement of all the seventeen goals under the SDGs, especially in developing countries with majority Muslim populations (Dadi et al, 2023). Nonetheless, it is arguable that the SDGs are not the main objectives to be fulfilled in the practice of takaful. As part of Islamic finance, the legal mechanism and implementation of takaful should put a greater emphasis on the achievement of the main objectives of Shariah, which is also known as the *maqasid al-Shariah*.

THE CORRELATION BETWEEN TAKAFUL, SDGS, AND MAQASID AL SHARIAH

In general, studies have shown that there is a correlation between the *maqasid al-Shariah* and the SDGs based on both aimed at preserving human development. The correlation was drawn towards the practice of takaful to reduce poverty (Saba et.al, 2021). A similar proposition can be found in another literature in which the authors reported that there is a connection between *maqasid al-shariah* and SDGs due to the sustainable and inclusive development aimed at both, yet the former is more extensive, as it is unchanging and existed before the emergence of the SDGs, yet still; however, there is still no direct indication of the practice of takaful. (Romzie et.al, 2022)

TAKAFUL LAWS

Takaful laws are relevant to ensure justice, wealth preservation, and wealth distribution aligned to *maqasid al-Shariah*. The component of takaful laws increases the effectiveness and maintains the stability of the takaful system. The takaful laws include legislation (Act of Parliament) applicable; regulations issued by regulatory authorities;

and dispute resolutions. A unique Shariah governance framework is also designated to the Takaful operators to ensure the Shariah compliance operation of the Takaful business. The legislation and regulations include enabling laws like the Central Bank Act 2009, Financial Services Act 2013, and Islamic Financial Services Act 2013. The governing laws are the Companies Act 2016 and the Contract Act 1950. Regulatory authorities are the institutions established by law & have the legal authority to issue regulations/policies for Insurance and Takaful. Central Bank of Malaysia is the regulator and & supervisor of Insurance, Reinsurance Operators, International Insurance operators, Takaful, Re-takaful Operators, and International Takaful Operators. Shariah Advisory Council (SAC) of the Central Bank of Malaysia is the highest authority for Shariah matters in Takaful. Accordingly, the Labuan Financial Services Authority regulates Labuan offshore insurance, reinsurance operators, takaful operators, retakaful operators, and foreign retakaful operators. Shariah Supervisory Council (SSC) for Labuan FSA is the highest authority for Shariah matters in offshore Takaful. (Cheah et.al, 2023)

MAQASID AL-SHARIAH (THE OBJECTIVES OF SHARIAH)

The concept of *maqasid al-Shariah* is often easily understood as the objective of the Shariah. It comprises every *maslahah* namely benefits, welfare, and advantages, for which the Shariah was revealed by Allah SWT by attaining that *maslahah* and preventing *mafsadah* namely any loss, injury, or evil. (Mohd Izzat Amsyar & Ruzian, 2018). This eventually aimed to achieve goodness for an individual in this world and hereafter. Its foundation can be seen from the Quranic verse where Allah SWT stated concerning the concept of *maslahah*:

مَا يُرِيدُ اللَّهُ لِيَجْعَلَ عَلَيْكُمْ مِنْ حَرَجٍ وَلَكِنْ يُرِيدُ لِيُطَهِّرَكُمْ وَلِيُنِزِلَ عَلَيْكُمْ رِزْقًا طَيِّبًا وَيُنِزِلَ عَلَيْكُمْ رِزْقًا طَيِّبًا وَيُنِزِلَ عَلَيْكُمْ رِزْقًا طَيِّبًا وَيُنِزِلَ عَلَيْكُمْ رِزْقًا طَيِّبًا

“Allāh does not intend to make it difficult for you, but He intends to purify you and complete His favor upon you so that you may be grateful.”(Al-Maidah: 6)

Starting with its literal definition, the term *maqasid* is derived from the singular word of *maqсад* or its root word, *qasada* or *qasd*, which means intend, taking a middle course, goal, aim, or aspiration. Shariah, on the other hand, is a path to a water hole, commonly applied within the pretext of the law of Allah SWT, which is revealed to Prophet Muhammad SAW. As such, the combination of these two terms leads to the definition that is often known as the objectives and goals of the legislation and rules of Islam. (Ahmad Faizal & Shaifulfazlee, 2013)

There are various other definitions given by the fuqaha'. For instance, according to Ibn Ashur, *maqasid al-Shariah* comprises both a deeper meaning, i.e., *ma'ani*, and the inner aspect of wisdom, i.e., *hikam*, which are both considered by the Lawgiver in the legislation areas of the Shariah. A deeper knowledge of *maqasid al-Shariah* is very much crucial for mujtahid to understand and interpret the Shariah text in addition to searching for solutions to the contemporary problems faced by the Muslims where the Quran and Sunnah are silent about it (Akhtarzaite, 2010). As for Imam al-Ghazali and al-Shatibi, the concept of *maqasid al-Shariah* can further be divided into three levels of hierarchy which are: *daruriyyat*, i.e., essentials, *the hajiyyat*, i.e., general needs or convenience, and finally *tahsiniyat*, i.e., refinements. All in all, it was the theory brought forward by Imam al-Ghazali proposed that *maslahah* is the significant aspect of the framework of *maqasid al-Shariah* (Zoolhelmi et al, 2023).

To elaborate further on this part, Imam al-Ghazali has also defined *maqasid al-Shariah* from the perspective of its objectives. As such, this gives rise to the most commonly known as *daruriyyat al-khams*, namely, protection of religion (*hifz*

ad-din), protection of life (*hifz an-nafs*), protection of intellect (*hifz al-aql*), protection of posterity or lineage (*hifz an-nasl*) and finally protection of property or wealth (*hifz al-mal*). This is in line with the definition given by Ibn Ashur over the term *maqasid al-Shariah* to mean the wisdom and purpose behind every ruling of Shariah, with the objectives of preserving social order preservation and ensuring healthy progress of the society. Therefore, it can generally be deduced that the Muslim jurists are all agreeable that *maqasid al-Shariah* is an essential benefit for mankind, with rationale and wisdom behind every ruling passed in the Shariah.

As stipulated earlier in the definition section, *maqasid al-Shariah* can further be divided into three categories which are: *daruriyyat*, *hajiyyat*, and *tahsiniyyat*. *Daruriyyat* involves the objectives that are necessary to form the basis of welfare establishment in the world and hereafter, whereby if any of these objectives are ignored, the order and coherence cannot be duly fulfilled and thus will lead to a facade and chaos. The five objectives under *daruriyyat* are famously known as *daruriyyat al-khams* and will be further elaborated afterward. The second category, *hajiyyat* is aimed at removing hardship and facilitating life, while the third category, *tahsiniyyat*, is aimed at beautifying and putting comfort to the whole mechanism, complementing every aspect of *daruriyyat* and *hajiyyat*.

In compelling Takaful towards meaningful sustainable growth, the outcome of achieving *Maqasid al Shariah* is intended. Grasping *Maqasid Shariah* enhances Takaful value as a means of achieving a well-balanced and sustainable proposition for all stakeholders. The *Maqasid Shariah* promotes the serving of benefit and prevents harm. The welfare of all humankind is necessary for each human being to live a decent life and any harm should be avoided at all costs. (Malaysian Takaful Association, 2021.)

THE SUSTAINABLE DEVELOPMENT GOALS

The first goal is no poverty. Poverty can be defined as surviving on less than \$2.15 per day per person. Thus, this goal aims to eradicate poverty of all forms everywhere by 2030. The second goal is zero hunger, whereby it aims for the world to be free from hunger by 2030 due to whatever cause, including food insecurity or lack of access to sufficient nourishment. This is crucial to prevent malnutrition, which may alleviate the likelihood of being prone to the spread of disease. The third goal is good health and well-being. This goal aims to promote the well-being of every single human at all ages to ensure a healthy life. Moving on to the fourth goal, which is quality education. It aims to make progress towards children's education to negate any sort of inequality. The next goal is gender equality, which aims to empower the rights of both men and women by 2030 for sexual violence, an unequal division of work, discrimination in public office, and many more. The sixth goal of the SDGs is clean water and sanitation. This goal aims to ensure that everyone has equal access to water and sanitation by investing in facilities relating to infrastructure and sanitation and protecting and restoring ecosystems relating to water as well as hand hygiene education. The seventh goal to be achieved is affordable and clean energy, which is reliable, sustainable, and modern. This includes investment in solar, wind, and thermal energy sources, which will be cleaner by 2030 (United Nations, 2015).

The eighth goal is decent work and economic growth, which is achieved by providing decent and sustainable employment and work for all to promote inclusive economic growth. The next goal under the SDGs is about industries, innovations, and infrastructures, which is aimed to promote resilient infrastructure, and sustainable industrialization as well as fostering innovation via technology. Goal 10 of the SDGs aims to reduce inequalities

within and among countries based on income, sex, age, disability, sexual orientation, race, class, ethnicity, religion, and opportunity. The eleventh goal pertains to sustainable cities and communities by making them inclusive, safe, and resilient for rapid urbanization. The twelfth goal is responsible for consumption and production patterns by eliminating food waste and promoting recycling, for instance. The subsequent goal is climate action to prevent greenhouse gas emissions as well as weather patterns and rising sea level changes. The fourteenth goal under the SDGs is regarding life below water. It aims to conserve and use the oceans, seas, and marine resources sustainably. The next goal concerns life on land, which is aimed at conserving ecosystems, managing forests, preventing land from degrading, and avoiding the loss of biodiversity to stop global deforestation. The sixteenth goal is peace, justice, and strong institutions by promoting a society that is free of fear from all sorts of violence besides feeling safe in their lives. The final goal is a partnership for the goals, which essentially focuses on revitalizing global partnership so as partnerships to ensure that sustainable developments are achieved. This goal calls for strong commitment and cooperation from various entities to materialize the fulfilment of every goal under the SDGs (United Nations, 2015).

Undeniably the idea of every goal of the SDGs is indeed values focused on the sustainable development and growth of three main aspects which are: economy, social, and environmental protection.

THE FULFILMENT OF *MAQASID AL-SHARIAH* IN THE PRACTICE OF TAKAFUL

Upon accessing the concept of *maqasid al-Shariah* and SDGs in the previous section, the following discussion focused on the correlation between takaful. To begin, the concept of takaful is worth reiterating, whereby it means a joint guarantee, shared

responsibility, and guarantee, collective assurance as well as mutual undertaking among members in a group of specified people through agreement. According to section 2 of the Malaysian Islamic Financial Services Act 2013, *takaful* is defined as an arrangement based on mutual assistance, whereby the participants under the *takaful* agree to contribute to a common fund that will provide for mutual financial benefits payable to the *takaful* participants or their beneficiaries on the occurrence of pre-agreed events. As such, three mutuality exist in *takaful* which are mutual help, mutual responsibility, and mutual protection from losses (AAOIFI, 2007). Insofar as the practice in Malaysia is concerned, a licensed *takaful* operator can carry its business on general *takaful* or family *takaful*.

PROTECTION OF RELIGION (*HIFZ AD-DIN*)

To begin, the practice of *takaful* reflects the protection of religion. This is because ensuring that one's earnings are from lawful and halal methods as per the *Shariah* is indeed very closely related to the *maqasid* of *hifz ad-din*, as Allah SWT instructed every human being to act righteous and for their earning to be gained from halal sources. This leads to the prohibition of *riba*, *gharar*, *maysir*, and *qimar*, which are the basis for the illegality of convention insurance, as it consists of all of these prohibited elements. Similarly, the investment made in conventional insurance will be invested in various investment instruments regardless of whether it involves businesses concerning wine, pork, or any other prohibited commodities in *Shariah*.

This situation is unlike the practice in *takaful*, as any sort of investment shall be strictly *Shariah* compliance, reflecting an act of obedience from the servant of Allah SWT to always abide by his commands at all times, including in *muamalat* matters within the practice of *takaful*. Avoiding the involvement in conventional insurance and shifting to *takaful* practice as an alternative

to protect oneself from possible future loss is thus in line with the act of a servant preserving his relationship with Allah SWT, simultaneously protecting his religion and faith from sinful actions (Usama et.al, 2021). In addition, the fact that the *takaful* agents shall reflect the core Islamic values in the *takaful* business operation also reflects the advancement of religion, looking at the role of the *takaful* agent as not merely an agent to gain profit but rather a religious agent that ensures compliance of the whole *takaful* operation with *Shariah* (Dikko & Abdullah, 2015). Therefore, the first *maqasid* of *hifz ad-din* can be considered to have been fulfilled in the practice of *takaful*.

PROTECTION OF LIFE

The second *maqasid* that shall be analysed is the fulfilment of protection of life in the context of *takaful*. This *maqasid* can further be widened to include not only life protection in protecting the participants from death, but also to the extent of protecting oneself to which they protect themselves from injury, medical illness, or health care issues that may adversely impact their lives. This protection is the most obvious one under the practice of *takaful*, specifically under family *takaful*, as it protects the participants as well as their dependents with long-term savings arising from disability, death, or survival. A detailed regulation can further be found as per the framework issued by the Bank Negara Malaysia ("BNM"), which forms a foundation to guide the practice of family *takaful* business in Malaysia (BNM, 2019).

By protecting savings in the *tabarru'* shared pool fund for the participants and their dependent's death, disability, or survival, it thus depicts the protection of life, not only for the participants but also for the dependents who might suffer from the death or disability of the participant. This will eventually ease their burden to continue their life (Nor Hanani et al, 2017). Also, life protection in *takaful* people has been fulfilled through the spirit of scarification between

Muslims to help one another in times of need in the future (Syahida, 2012). Therefore, all in all, the existence of family takaful simply reflects the protection of participants' and dependents' lives.

PROTECTION OF HUMAN INTELLECT

Moving on to the next *maqasid* of *hifz al-aql*, this objective of Shariah is rarely discussed to have been fulfilled in takaful. Nonetheless, takaful practice has protected human intellects, for instance, mental health concerns have arisen. These issues include anxiety, depression, bipolar as well as disorder, and PTSD, and it calls for prompt intervention for medical treatment if needed to prevent it from worsening. Many takaful providers have extended protection to cover mental illness conditions through the launching of mental health disorder schemes for example (Faizal et al, 2021). This has been done by several takaful providers in Malaysia, such as Prudential BSN Takaful and Etiqa AafiyahCare Takaful (Nathan, 2020).

The attention given to extending the protection under takaful for mental health illness depicts reflects the fulfilment of intellectual protection in the practice of takaful, in line with the principles of *maqasid al-Shariah*. Therefore, it can safely be deduced that the practice of takaful extends to the protection of intellect, and further research is needed to extend the protection even further to every takaful provider in Malaysia specifically, as it is very much capable of being explored and extended.

PROTECTION OF HUMAN DIGNITY, POSTERITY AND LINEAGE

For the fourth *maqasid*, which is *hifz an-nasl*, there has been much research done and studies have been conducted to extend the practice of takaful to protect human dignity, posterity, and lineage. It is crucial because it centers upon a person's inviolability. In other words, means Takaful shall be able to protect

victims of inhumane and unethical actions such as rape, domestic violence, incest, and child molestation (Dikko & Abdullah, 2015). As such, the *masalih al-ibad* can fulfill within the parameters of *maqasid al-Shariah*, as takaful will provide greater justice towards those victims whose rights have been discriminated against. This is based on the principle of *aqilah* in the payment of blood money, i.e., *diyyah*, which is the custom of the Arab tribes, whereby the paternal relative of the slainer will have to be responsible in mutual contribution to be paid to the victim's relatives as a result of the injury or killing committed by the slainer towards the victim (Syahida, 2012).

Nonetheless, to date, there is still no due mechanism to fulfill this protection under the coverage of takaful due to a lack of research on the practical approach to materialize it during the operation. However, it can be construed that such an approach is not impossible to do with a proper legal mechanism, guideline mechanisms, guidelines, and standard operating procedure within the procedures among takaful providers, specifically in Malaysia. A good start that may be considered is to include the right of the takaful participant to claim from the shared *tabarru'* fund for any injury or damage suffered by her upon the occurrence of any violence and unethical actions, for instance, rape, against her. This seems to be workable, as it merely involves a claim for protection in favour of a participant who subscribes to such protection from the takaful provider. However, further research is very much needed to explore the possibility of fulfilling this aspect within the practice of takaful.

In addition, takaful provides a mechanism for saving in favour of children, and can still be considered fulfilling *maqasid hifz an-nasl*, as children and offspring are products of valid marriage with the continuity of lineage. For instance, Takaful Savers Kid under Prudential BSN Takaful and IKHLAS Ilhamku Inspirasi Masa Depan

Anakku were offered by Takaful Ikhlas. Through the fulfilment of *maqasid hifz an-nasl*, the takaful service will not only flourish Islamic finance but also fulfill a greater value within the crux of Shariah (Ahmad & Hasan, 2020). Therefore, it can be concluded that the protection of lineage and posterity has been duly fulfilled in takaful practice.

PROTECTION OF PROPERTY

The final *maqasid*, which is the most relevant one within the ambit of takaful practice of *maqasid hifz al-mal*. This is because the main purpose of takaful itself is to provide financial protection against any possible future loss of the participants. This includes how much risk is to be duly managed, which shall comply with Shariah as iterated earlier by ensuring that the whole mechanism is free of *riba*, *gharar*, and *maysir*. This indirectly calls for discussion of the goals of Shariah within the ambit of wealth protection in the practice of takaful, which are *rawaj*, i.e., the wide circulation of properties, *wuduh*, i.e., transparency, *hifz*, i.e., protection, *thabat*, i.e., certainty, *adl*, i.e., justice; and *istismar*, i.e., investment.

These goals can be realised through takaful practice, as it provides effective means to fulfil them, specifically by regular saving through the payment of specific instalments in the shared takaful fund, which will then be invested by the takaful company to obtain Shariah-compliant profit, leading to an increase economic growth in addition to being available to cover benefits of the heirs and dependents in the event of future loss. As such, this truly reflects all the goals to be obtained within the ambit of *hifz al-mal*, as there is a wide circulation of the wealth to the general public via the shared fund, fulfilling the goal of both *rawaj* and *adl*, and all parties are clear of the financial transactions involved through a due reporting and records of takaful, reflecting the *wuduh*. Additionally, the certainty as to the right of participants to the ownership of the amount paid to the takaful operator is duly protected

conforming to the goal of *thabat*. Similarly, there is an *istismar* being made by the takaful operator as part of the fund was invested in Shariah compliance investment, making the value of the fund grow by lawful means and thus fulfilling the *maqasid of hifz al-mal* (Akhtarzaite, 2010).

In addition, justice and fairness in the distribution of returns of the investment returns should also worth to be considered as a manner of protection under the takaful practices through a due circulation of wealth, which is done fairly and transparently in the fulfilment of social needs and conditions of lawful transactions under Shariah. The idea of this augmentation of wealth is also through the increment of the participants' wealth by retaining their ownership of them without being utilised by the takaful operator, and the earnings are to be shared between the takaful operator and the participants at a pre-agreed ratio. Any irregular transaction, on the other hand, will duly be used for charity (Usama, Rashid & Atiquzzafar, 2021). As such, it is crystal clear that the whole mechanism is to fulfil the principle of Islamic law and is in line with *maqasid hifz al-mal*.

THE FULFILMENT OF SUSTAINABLE DEVELOPMENT GOALS IN THE PRACTICE OF TAKAFUL

Having duly analysed the accomplishment of *maqasid al-Shariah* within the crux of takaful practice, the discussion will now be directed to the fulfilment of the SDGs in takaful practice. In general, the idea of the SDGs can be duly materialised in the practice of takaful, especially upon the expansion of takaful protection and services provided by the operator (Nurain et al, 2021). It is often seen as the solution to various problems relating to equitable access to different aspects concerning ideal and sustainable development that are needed for human existence, and are aligned with the welfare needs both economically and socially (Dadi et al, 2023).

NO POVERTY, ZERO HUNGER AND FINANCIAL INCLUSIVITY

The main aspect of the SDGs that are fulfilled in the practice of takaful is known as financial inclusivity, often categorised as micro-takaful (Ahmed et al, 2015). As such, this section will duly see the fulfilment of the SDGs within the parameter of takaful practice. It will focus on the most relevant goals under the SDGs that are directly fulfilled in the practice of takaful.

One of the most essential goals that can be said to have been fulfilled via the practice of takaful is the first goal, i.e., no poverty. This is duly achievable through the idea of financial inclusivity under takaful via micro-takaful. In other words, takaful is to be made affordable at various levels of society, especially for the poor, to eradicate it from the poor, consequently providing equal protection for them in the event of loss. This service links the side of philanthropic and commercial sides at the same time (Evren et al, 2022). The financial inclusivity within the ambit of micro-takaful can lead to the attainment of the second goal, i.e., zero hunger.

GOOD HEALTH AND WELL BEING

In addition, the goal of good health and well-being can also be achieved through the practice of takaful, as the practice essentially emphasises social welfare through fair access to healthcare. This can be found through the medical card introduced by various takaful providers, such as Great Eastern Takaful, AIA, Zurich Malaysia, and Takaful Ikhlas. This is in line with the third goal of the SDGs, as the whole purpose of the medical card is to provide medical protection by helping the participants cover the healthcare costs at hospitals, especially when involved in illnesses that require surgery and extensive treatment.

EDUCATION

Similarly, the fourth goal of quality education is also duly fulfilled in takaful practice due to the education takaful offered by many takaful providers. For example, the Madani Plan under Etiqa Takaful provided coverage to ease the education cost burden. A good education plan will surely give rise to a better quality of education, fulfilling the fourth goal of the SDGs.

GENDER EQUALITY

Besides, the goal of gender equality is also duly fulfilled in line with the fifth goal of the SDG. This includes the A-Life Lady-i, which was introduced by the AIA and provides its women participants with protection in the event of death and permanent disability up until the age of 80 years old. Similar protection was provided by PruBSN Anggun, with coverage for women of different ages not limited to just criteria illness but also covering mental illness. This depicts the coverage that does not seem to be male-centric. This will consequently fulfil the tenth goal, which is to reduce inequalities. In addition, the provision of takaful products for women to grow their businesses is also another indicator of this goal's fulfilment (Nurain et al, 2021).

CLEAN WATER, SANITATION, DECENT WORK AND ECONOMIC GROWTH

Furthermore, the sixth goal of clean water and sanitation is also duly fulfilled in takaful, as reflected in the Etiqa Clean Water Project, which has provided an uninterrupted clean water supply since 2017 to thousands of villagers in Malaysia. Similar efforts have been undertaken by the Great Eastern Takaful alongside clean energy as well, which indirectly reflects the fulfilment of the seventh goal under the SDGs. As for the eight goals of decent work and economic growth, this can be reflected through the offering of takaful for microfinance and small business owners (Nurain et al, 2021). Moreover, from another point of view, the

growth of the takaful industry can generate employment opportunities within the industry besides protection of the addition to protecting participants' income from unforeseen possible future loss. (Kolachi, 2023).

SUSTAINABLE CITIES, COMMUNITIES AND CLIMATE CHANGE

Compared with other SDGs, the eleventh goal of sustainable cities and communities is the goal that has had the most positive impact on economic growth in comparison to other SDGs (Abdul-Wahab & Hasanuddeen, 2022). This can be achieved through the sustainability project done by some takaful providers, such as Etiqa, that constantly provide various basic infrastructures to the communities. Goals thirteen, fourteen, and fifteen also reflect in line with the urge urgency for climate change concerns in Malaysia, which can be attained through the 45% cut reduction in carbon emissions, in which 10% of the cut is targeted from climate finance as well as technology transfer (Amirul et al, 2017). This step is in line with the Malaysian Takaful Association's aspiration toward a sustainability agenda within the takaful industry.

In conclusion, the fulfilment of the majority of the goals as scrutinised earlier will eventually lead to the final seventeenth achieved in the practice of takaful, as every entity will duly work together as partners to effectuate the goals. Therefore, at this juncture, it is safe to deduce that the principles laid down under the seventeen goals of the SDGs are duly fulfilled within the parameter of takaful practice. Nonetheless, its correlation with *maqasid al-Shariah* will further be examined in the subsequent part of the discussion.

THE ANALYSIS OF THE RELATIONSHIP BETWEEN MAQASID AL-SHARIAH AND SDGS IN THE TAKAFUL BUSINESS

In this section, it is now worth further analysis analysing the relationship between *Maqasid al-Shariah* and the SDGs, as well as their correlation in the practice of takaful.

MAQASID AL SHARIAH AND SDGS COMPLEMENTED EACH OTHER

Based on the findings made in the previous discussions, it is found that the seventeen goals of the SDGs are interrelated with *maqasid al-Shariah*. In other words, every goal aimed at the UN under the SDGs is reflective of the whole principle of *maqasid al-Shariah*, which existed a thousand years ago and way much earlier than the just recently introduced goals under the SDGs.

MAQASID AL SHARIAH AND SDGS DELIVERS FAIRNESS, CREATES VALUE, AND BOOSTS SOCIAL ACCOUNTABILITY

Nonetheless, as long as the goal does not go against the boundary of Shariah, then it can be safely deduced to be in line with *maqasid al-Shariah*, provided that its *maslahah* is equally achieved under maqasid. This is reflected in the introduction of Value-Based Intermediation (VBI) for Takaful, as this effort made by BNM is in line with the principle of *maqasid al-Shariah*, as it delivers fairness, creates values as well as value and boosts social accountability; however, at the same time, it also meets the goal to be fulfilled under the SDGs (Normarianie et al, 2022, Wan Norazimin & Ruzian, 2020). This is true because it manages to reflect the principles of financial inclusivity and climate change.

MAQASID AL SHARIAH AND SDGS PROMOTES WELL BEING

The first, second, and third goals under the SDGs about no poverty, zero hunger as well as, good health, and well-being are all

reflecting the *maqasid* of *hifz an-nafs*. This is because ensuring that every human lives without having to suffer from poverty or hunger and good health are all indicative of their life being duly protected, conforming with the objectives of the Shariah (Saba, Khan & Jawed, 2021). Having adequate wealth with proper food to eat daily will lead to a healthy life and well-being. This will protect the life of every human being should the goals be materialised as practised by the *takaful* providers via the offering of *takaful* products concerning financial inclusivity, specifically under the micro *takaful*.

In addition, the other goals that can be said to be in line with *maqasid hifz an-nafs* are the sixth goal regarding clean water and sanitation; the seventh goal on affordable and clean energy; the ninth goal regarding industry, innovation, and infrastructure; the eleventh goal on sustainable cities and communities, the thirteenth, fourteenth and fifteenth goals relating to climate change action; as well as and the final goal concerning partnership for the goals. These goals are reflective of Shariah's objective to protect one's life from disruption, consequently leading to a proper and balanced life from various angles, including development, ecosystem, and sources of essential needs for living things. It can be deduced that the current *takaful* industry is trying to fulfil these goals insofar as the coverage and protection are concerned are considered.

MAQASID AL SHARIAH AND SDGs PROVIDES QUALITY EDUCATION

In addition, the *maqasid of hifz al-aql* can be seen from the Goal, which aims to provide quality education. This is because a quality education can guarantee a developing mind and one's ability to comprehend and resonate knowledge, which will all definitely lead to the protection of intellect and thus fulfilling the *maqasid al-Shariah*. This is evidence-based on the education plan offered by the *takaful* providers, as discussed earlier.

MAQASID AL SHARIAH AND SDGs PROMOTES RESPONSIBLE ECONOMY

The fifth *maqasid al-Shariah* is regarding the protection of wealth, this objective is reflected in several goals of the SDGs, specifically the seventh goal on affordable and clean energy, the eighth goal on decent work and economic growth, as well as and the twelfth goal on responsible consumption and production. All these goals depict the aim of the Shariah to protect wealth through its accumulation, acquisition, as well as any transaction involved around it and transactions. These goals and *maqasid* are the ones that were reflected within the ambit of wealth and risk management insofar as the *takaful* practices are concerned.

Therefore, it can be scrutinised that both *maqasid al-Shariah* and the SDGs are in line with one another, yet they cannot be said to be at the same level of superiority, as the principles of *maqasid* shall always prevail in the event of a conflict. It is also inaccurate to deduce that both principles complement one another because the principles under *maqasid al-Shariah* are very wide and truly extensive as well as holistic in comparison to the 17 goals under the SDGs. In addition to the fact that *maqasid al-Shariah* found its origin thousands of years ago, the foundation and source of these two concepts are very different, giving rise to the need for some differentiation to still be made when needed.

CONCLUSION & RECOMMENDATION

In summary, it can be deduced now that both the objectives of Shariah and the SDGs goals can coexist and be worked on together side by side to be materialised. Despite the vitality of ensuring that the current practice is towards achieving the goals aimed by the UN, it shall be able to duly be in line with the whole purpose of the Shariah. This depicts the importance of *maqasid al-Shariah* as a crucial tool to be strongly confirmed by every *takaful* provider to ensure that every service provided to affect the seventeen

under the SDGs is in line with the objectives of Shariah at all times.

In addition, it is also worth noting that every government and legislative entity that is involved in drafting laws or guidelines concerning the practice and services provided by the takaful operators ensures that every takaful product offered by the takaful operator is in due compliance with Shariah. This calls for a vital role of the Shariah Advisory Council under the BNM as well as the Shariah Committee for every takaful provider to put strict regulations for every product that is to be introduced in the name of fulfilling the seventeen goals of the SDGs. While it is crucial to materialise the goals, it should be firmly reiterated that the products for the benefit of the ummah shall at all times conform to the Shariah at all times.

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CONFLICT OF INTEREST

The authors declare that they have no conflict of interest.

AUTHORS' CONTRIBUTION

Nuraisyah Ibrahim: Writing and original draft. Ruzian Markom: Supervision, review and editing.

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