



PRESS RELEASE

BRUNEI DARUSSALAM RANKED 12th IN ISLAMIC FINANCE DEVELOPMENT INDICATORS 2022

1. Brunei Darussalam has retained 12th place, amongst 136 assessed countries globally, for two years in a row in the ICD-Refinitiv Islamic Finance Development Report 2022: Embracing Change. The report, which is based on 2021 data, revealed that Brunei Darussalam recorded 31 points in the Islamic Finance Development Indicator (IFDI), whilst the global average indicator value declined to 9.0 in 2022 from 11.0 for 2021. The IFDI 2022 indicator score measures the state of the development of the Islamic finance industry in 2021.
2. The report also indicated that the global Islamic finance industry reached another milestone in 2021 by maintaining a double-digit growth in total assets size of 17% year-on-year, amounting to USD4 trillion, as the world began its recovery from the effects of the COVID-19 pandemic. The report further projects that the size of the Islamic finance industry to rise to USD5.9 trillion by 2026, mainly driven by growths in Islamic banking and the sukuk market. In terms of total global Islamic finance assets, Islamic banking continued to dominate the Islamic finance asset distribution with 70% share in 2021; followed by sukuk at 18%; Islamic funds at 6%; Other Islamic Financial Institutions (OIFI) at 4%; and takaful at 2%.
3. The report also provides IFDI rankings for notable Islamic finance markets around the world whereby the recent IFDI is based on an enhanced model incorporating new metrics related to Environment, Social and Governance (ESG) and Islamic FinTech, and changes to the weightage of each indicator. The five main indicators for IFDI are Financial Performance (formerly known as Quantitative Development); Governance; Sustainability; Knowledge; and Awareness indicators. According to the report, Malaysia, Saudi Arabia and Indonesia emerged as the top three Islamic finance markets in overall development, while Bangladesh jumped to 10th place from 14th place, with significant improvement in the Financial Performance and Awareness indicators.
4. Brunei Darussalam maintained its top place in Regulations, a sub-indicator of Governance measured by regulations issued for Islamic banking; specific accounting; Syariah governance; takaful; sukuk; Islamic funds; and the FinTech sandbox. The report also ranked Brunei Darussalam at 4th place for sub-indicator on Events under the Awareness indicator, and 5th place for sub-indicator on Research under the Knowledge indicator.
5. In terms of Financial Performance indicator, Brunei Darussalam attained 8th place in OIFI assets with a value of USD2 billion. This includes assets in FinTech companies, investment firms, financing companies, leasing and microfinance firms.
6. The ICD-Refinitiv Islamic Finance Development Report 2022: Embracing Change can be accessed on Refinitiv's website www.refinitiv.com, or via the following link <https://www.refinitiv.com/en/resources/special-report/islamic-finance-development-report-2022>.

Brunei Darussalam Central Bank

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