

Islamic Green Finance

Islamic green finance is a growing field that combines Islamic investment principles with environmental responsibility. This book explores the potential of this concept to address climate change and promote sustainable development.

It examines various aspects of Islamic green finance, including Shari'ah-compliant financial instruments for renewable energy projects, green businesses, and environmental risk mitigation. It also explores the role of Islamic financial institutions and government policies in influencing green initiatives. Additionally, the book discusses the positive impact Islamic green finance can have on social development and assesses the role of technology in facilitating green transactions, discussing emerging trends in blockchain, crowdfunding, and artificial intelligence. The book emphasizes the need for robust impact measurement frameworks and sustainability reporting standards for Islamic green finance projects, evaluating existing frameworks and methodologies, and identifying best practices for measuring and reporting the environmental and social impact of green finance initiatives. It analyzes successful case studies and identifies key challenges and opportunities for government policies to foster the growth of Islamic green finance. It also highlights key areas for further research and examines the potential of Islamic green finance to contribute to achieving the Sustainable Development Goals (SDGs). Further, it showcases real-world examples of successful Islamic green finance initiatives from diverse regions. These case studies provide valuable insights into practical implementation and scalability.

The book raises awareness of Islamic green finance, stimulates innovation in this area, informs policymaking, and empowers investors to make ethical and sustainable investment decisions, and as such, targets a wide audience including academics, researchers, financial professionals, policymakers, and individual investors.

Edib Smolo is an Associate Professor and former Chair of the Finance Department and Director of the Master of Science in Finance programme at Effat University, Jeddah, Saudi Arabia.

Mohammed Omer Rafique is an Assistant Professor of Islamic Finance and Management Sciences at SZABIST University.

Islamic Business and Finance Series

Series Editor: Ishaq Bhatti

There is an increasing need for western politicians, financiers, bankers, and indeed the western business community in general to have access to high quality and authoritative texts on Islamic financial and business practices. Drawing on expertise from across the Islamic world, this new series will provide carefully chosen and focused monographs and collections, each authored/edited by an expert in their respective field all over the world.

The series will be pitched at a level to appeal to middle and senior management in both the western and the Islamic business communities. For the manager with a western background the series will provide detailed and up-to-date briefings on important topics; for the academics, postgraduates, business communities, manager with western and an Islamic background the series will provide a guide to best practice in business in Islamic communities around the world, including Muslim minorities in the west and majorities in the rest of the world.

Islamic Finance and Sustainable Development

The Water, Food, Energy and Climate Nexus

Edited by Abdulkader Thomas

Islamic Economics and Financial Crisis

Edited by Erhan Akkas

Islamic Finance and Sustainable Development

Balancing Spirituality, Values and Profit

Edited by Khaliq Ahmad and Datuk Abdelaziz Berghout

Islamic Economics, Growth and Development

Edited by Mustafa Metin Başbay

Islamic Green Finance

Towards Ethical and Environmentally Responsible Investing

Edited by Edib Smolo and Muhammad Omer Rafique

For more information about this series, please visit: www.routledge.com/Islamic-Business-and-Finance-Series/book-series/ISLAMICFINANCE

Islamic Green Finance

Towards Ethical and Environmentally
Responsible Investing

**Edited by Edib Smolo and
Muhammad Omer Rafique**

First published 2026
by Routledge
4 Park Square, Milton Park, Abingdon, Oxon OX14 4RN

and by Routledge
605 Third Avenue, New York, NY 10158

*Routledge is an imprint of the Taylor & Francis Group, an informa
business*

© 2026 selection and editorial matter, Edib Smolo and Muhammad
Omer Rafique; individual chapters, the contributors

The right of Edib Smolo and Muhammad Omer Rafique to be
identified as the authors of the editorial material, and of the authors for
their individual chapters, has been asserted in accordance with sections
77 and 78 of the Copyright, Designs and Patents Act 1988.

All rights reserved. No part of this book may be reprinted or
reproduced or utilised in any form or by any electronic, mechanical, or
other means, now known or hereafter invented, including photocopying
and recording, or in any information storage or retrieval system,
without permission in writing from the publishers.

Trademark notice: Product or corporate names may be trademarks or
registered trademarks, and are used only for identification and
explanation without intent to infringe.

British Library Cataloguing-in-Publication Data
A catalogue record for this book is available from the British Library

Library of Congress Cataloging-in-Publication Data
A catalog record has been requested for this book

ISBN: 978-1-032-88928-3 (hbk)
ISBN: 978-1-032-88930-6 (pbk)
ISBN: 978-1-003-54040-3 (ebk)

DOI: 10.4324/9781003540403

Typeset in Times New Roman
by SPi Technologies India Pvt Ltd (Straive)

Contents

<i>List of Figures</i>	<i>viii</i>
<i>List of Tables</i>	<i>x</i>
<i>About the Editors</i>	<i>xii</i>
<i>List of Contributors</i>	<i>xiv</i>
<i>Preface</i>	<i>xxvii</i>
<i>Acknowledgements</i>	<i>xxxi</i>
PART 1	
Introduction	1
1 Islamic Green Finance: A Marriage of Ethics and Environmental Responsibility in Light of <i>Maqasid al-Shari'ah</i>	3
MUHAMMAD OMER RAFIQUE AND KHAWAJA MASOOD RAZA	
PART 2	
Foundations of Islamic Green Finance	21
2 Shari'ah Compliance Framework for Islamic Green Finance	23
MUHAMAD AZHARI WAHID	
3 The Role of Islamic Financial Institutions in Promoting Green Initiatives and SDGs	37
SHAHIDA SHAHIMI AND SITI AISYAH ZAHARI	
4 Financing Sustainability through <i>Meezan</i> Concept: An Islamic Economics Perspective	58
MOHAMED ASLAM AKBAR, ANAZTASIA NATASHA MUHAMAD RAMLAN, AND EDIB SMOLO	

PART 3	
Enabling Green Growth	77
5 Green Policy Frameworks: Fostering Growth through Government Interventions	79
NOR RAZINAH BINTI MOHD. ZAIN, RAJA MADIHAH RAJA ALIAS, NG SEE TEONG, AND FAISAL AHMADI	
6 Technological Innovation and Green Fintech: Blockchain, Crowdfunding, and AI for Green Finance	96
ISSA HAMADOU AND ALI HARUNA	
7 From <i>Esham</i> to Perpetual Green <i>Sukuk</i> : A Framework for Sustainable Islamic Finance	114
KHAIRUNNISA MUSARI AND EDIB SMOLO	
8 <i>Sukuk</i> and Sustainable Finance: A Review of Literature and Future Directions	132
MOHAMAD HANDI KHALIFAH AND HAKAN ASLAN	
9 Sustainable Development Financing in Indonesia through <i>Sukuk</i>	175
ARIF BUDIMANTA	
10 Green <i>Sukuk</i> : Leveraging Islamic Finance for Ecological Sustainability	191
MOHAMMAD MAHBUBI ALI, AAM SLAMET RUSYDIANA, AISYAH AS-SALAFIYAH, AND SHAHINO MAH ABDULLAH	
PART 4	
Challenges and Opportunities	211
11 The Impact of ESG Practices on US Shari'ah-Compliant Firms' Performance during COVID-19	213
ICHRAK DRIDI AND OLFA BEN MDALLA	
12 Incorporating ESG Factors in Islamic Banking Financing Practices	226
ADMIR MESKOVIC, EMIRA KOZAREVIC, AND ALIJA AVDUKIC	

PART 5	
Measuring Impact and Future Directions	243
13 Roles of Islamic Capital Market in Developing Sustainable Bonds and <i>Sukuk</i> Framework in Malaysia	245
ROSLINA MOHAMAD SHAFI AND EDIB SMOLO	
14 Contributing to the Sustainable Development Goals: The Potential of Islamic Green Finance	261
RODAME MONITORIR NAPITUPULU AND AAM SLAMET RUSYDIANA	
15 Islamic Green Finance and Sustainable Development Goals: A <i>Maqasid Al-Shari'ah</i> Perspective	282
ABDULKADRI TOYIN ALABI, SAHEED OLANREWAJU ISSA, AND ABDULBAKI TENIOLA UBANDAWAKI	
<i>Index</i>	314

4 Financing Sustainability through *Meezan* Concept

An Islamic Economics Perspective

*Mohamed Aslam Akbar, Anasztasia Natasha
Muhamad Ramlan, and Edib Smolo*

4.1 Introduction

The transition to sustainability worldwide has markedly escalated in the last few years, propelled by pressing issues of environmental degradation, social inequality, and economic instability that threaten present and future generations. There is a dire need to establish a more equitable and balanced economic development strategy that incorporates social equity, environmental sustainability, and long-term economic stability, as indicated in the studies by Khayyat (2013) and Ahmad and Bruch (2002). Islamic finance provides a sound foundation for sustained prosperity based on its basic tenets of morality, equity, and justice. The principle of *meezan* (balance or equilibrium), which is essential to Islamic doctrine, is an important part of this system. This equilibrium is emphasized in the Holy Qur'an as it says:

وَالسَّمَاءَ رَفَعَهَا وَوَضَعَ الْمِيزَانَ

The heaven He raised, and He imposed the balance.

(Qur'an, 55:7)

This verse signifies the just, social, and economic balance that Muslims are obligated to maintain alongside the cosmic order. The Qur'an also states:

وَأَقِيمُوا الْوَزْنَ بِالْقِسْطِ وَلَا تُخْسِرُوا الْمِيزَانَ

Measure with fairness and do not render the balance inadequate.

(Qur'an, 55:9)

The above verse highlights the need for integrity and justice in financial transactions. This equilibrium, as demonstrated in Islamic finance, guarantees that financial profit continually corresponds with legal obligations.

Islamic finance, by adhering to *maqasid al-Shari'ah* (the objectives of Islamic law), possesses the capacity to significantly advance sustainable development. The objectives of safeguarding religion (*hifz al-din*), life (*hifz al-nafs*),

intellect (*hifz al-aql*), offspring (*hifz al-nasl*), and wealth (*hifz al-mal*) are inherently linked to sustainability. Dusuki and Bouharaoua (2011) assert that Maqasid al-Shari'ah emphasizes the conservation of wealth through judicious resource utilization, hence directly fostering environmental sustainability. Nonetheless, Islamic finance encounters several challenges in aligning its instruments with environmental goals, notwithstanding its fair foundation. The insufficient understanding of Islamic financial instruments, such as *waqf* and green *sukuk*, in addressing social and environmental difficulties constitutes a primary obstacle (Billah et al., 2024). In addition, similar to its conventional counterpart, the Islamic banking industry also faces a conflict between long-term sustainability and short-term profit maximization. These challenges highlight the need for a critical analysis of how *al-Qawa'id al-Fiqhiyyah* (Islamic legal maxims) may address this gap and direct Islamic financial organizations towards moral responsibility and environmental sustainability.

This chapter demonstrates how major Islamic legal maxims, *maqasid al-Shari'ah*, and *meezan* principles interactively build a robust framework for financial sustainability. The discussion throws light on the following: (1) "Harm must be eliminated" (*al-darar yuzal*) goes to support the investment in industries that reduce environmental harm, such as renewable energy; (2) "Hardship begets facility" (*al-mashaqqah tajlib al-taysir*), which will favour the creation of accessible and easy sustainable financial products; (3) "Certainty is not overruled by doubt" (*al-yaqin la yazul bil-shakk*), which supports financial decisions based on clear and destructive investments; and (4) "Custom is a basis for judgement" (*al-'adah muhakkamah*), which enables innovative financial products to be created based on traditional knowledge combined with modern development and needs. These maxims serve as the necessary guidelines to ensure that Islamic financial products are directed towards equitable investment and adhere to environmental criteria.

In what follows, we give an overview of *meezan* in the Qur'an and Sunnah and its implication on sustainable funding. These are linked with the greater context of *maqasid al-Shari'ah* through emphasis on social justice and environmental care; these have implications for sustainable financial practices. The chapter then looks at how some key Islamic legal maxims, discussed above, can help instruct ethical financial decisions and contribute to increased sustainability. It will be illustrated in practice through real examples such as green *sukuk*, Islamic financing for sustainable agriculture, and *waqf*-based projects for environmental protection and social welfare. Next, we review the advantages and disadvantages of Islamic finance in advancing sustainability, and how fintech facilitates access to and understanding of Islamic financial products. The chapter concludes with ways to integrate Islamic finance into international sustainability initiatives like the United Nations Sustainable Development Goals (SDGs) and how Islamic finance can be mobilized more effectively to contribute to the resolution of complex challenges such as poverty and climate change.

4.2 The Concept of Meezan in Islamic Economics

Before delving into the theoretical basis of *meezan* in Islamic economics, let's ground the concept of sustainability in simple Islamic principles. Islamic teachings revolve around the concept of *meezan*, which stands for balance in the universe and in ethical and financial affairs. Research by Khayyat (2013) and Ahmad and Bruch (2002) showed that balance means more than just physical equilibrium; it also represents fairness, restraint, and justice in many areas of life, including finance. The main Islamic tenets supporting sustainable finance are presented in Table 4.1.

In the Qur'an, the term *meezan* is heavily stressed as a concept of equity and justice. The verses are essential to the environmental field since they discuss both ecological balance and financial honesty. In the Qur'an, Allah, *subhanahu wa ta'ala* (SWT), states:

وَأَوْفُوا الْكَيْلَ إِذَا كِلْتُمْ وَزَنُوا بِالْقِسْطَاسِ الْمُسْتَقِيمِ ذَٰلِكَ خَيْرٌ وَأَحْسَنُ تَأْوِيلًا

Give full measure when you measure, and weigh with an even balance.
That is the best [way] and best in result.

(Qur'an, 17:35)

This verse pertains to business conduct, ensuring that all financial transactions are executed with integrity, transparency, and fairness. From an environmental perspective, this may be interpreted as a directive to avert waste and overexploitation to maintain ecological balance (Ahmad & Bruch, 2002).

The Sunnah of Prophet Muhammad (peace be upon him – PBUH) features justice and equilibrium in financial dealings, complementing the principles of the Qur'an. The hadith reported by Ibn Majah in his *Sunan* is another proof of justice and preserving equilibrium in business dealings. The hadith says: "The truthful and trusty merchant is associated with the prophets, the upright,

Table 4.1 Important Islamic Precepts Supporting Financial Sustainability

<i>Islamic Principle</i>	<i>Description</i>	<i>Source (Qur'an/Sunnah)</i>
<i>Meezan</i> (Balance)	Maintaining equilibrium in all facets of life, especially business dealings	Qur'an 55:7, 55:9
Maqasid al-Shari'ah	Protection of wealth, life, and the environment are among the greater goals of Islamic law.	Qur'an 2:256, 17:33, Al-Ghazali
Al-Darar Yuzal (No harm)	Prevention of injury and retaliation for harm	Hadith, Sunan Ibn Majah
Al-Mashaqqah Tajlib al-Taysir (Hardship begets ease)	Adversity facilitates accessibility and financial inclusion by bringing ease.	Qur'an 2:185, Sahih al-Bukhari

Source: Authors' own.

and the martyrs” (Hadith 3, Book 12 in Ibn Majah, n.d.). Since Islamic belief holds that moral responsibility in business dealings is essential to entering paradise, adherence to a particular standard in commerce is regarded as an elevated position and a kind of worship. Similarly, a hadith from *Sahih Al-Bukhari* states that “Everything has a predetermined duration” (Hadith 8, Book 22 in Al-Bukhari, 1981), emphasizing moderation and the avoidance of extravagance, both of which align with sustainability concepts. The principles of *meezan*, equity, and justice are fundamental components of Islamic finance, wherein monetary profit and moral responsibility coexist in a mutually advantageous state. They are also vitally applied to human relationships.

Özdemir (2022) emphasizes that *meezan* encompasses social, economic, and environmental domains in addition to individual behaviour. As pointed out by Avdukić and Smolo (2024), “Islamic principles uphold an environmental ethics that designates humans as stewards (*khalifah*) of the Earth, entrusted with its care and preservation”. This is evident from the following verse:

وَلَا تُفْسِدُوا فِي الْأَرْضِ بَعْدَ إِصْلَاحِهَا

Do not cause corruption upon the earth after its reformation.

(Qur’an, 7:56)

This corresponds with environmental stewardship, a contemporary sustainability principle promoting the prudent utilization of resources for the benefit of future generations (Llewellyn & Khalid, 2024). Financial operations are poised to foster genuine economic progress and prevent exploitation by eliminating *riba* (interest) and *gharar* (excessive uncertainty), in accordance with long-term sustainability objectives (Siddiqi, 1983). Dusuki and Bouheraoua (2011) assert that sustainable development initiatives, including renewable energy projects, can be financed using Islamic financial instruments like *sukuk*, particularly green *sukuk*.

Khan and Tabet (2023b) assert that the three pillars of sustainability – economic, social, and environmental equilibrium – are interconnected with the *meezan* concept. In general, Islam forbids wastefulness and promotes moderation, which is evident from the following verse:

إِنَّ الْمُبَدِّرِينَ كَانُوا إِخْوَانَ الشَّيَاطِينِ

Indeed, the wasteful are brothers of the devils.

(Qur’an, 17:27)

According to Iqbal and Mirakhor (2017), the *meezan* concept promotes social cohesion and reduces inequality by ensuring an equitable distribution of income through *zakat*, a required charity. Asutay (2007) asserts that Islamic finance principles, such as asset-backed lending and risk-sharing, ensure that financial transactions provide genuine economic value instead of participating in speculative activity that may lead to instability.

4.2.1 *Maqasid al-Shari'ah and Sustainability*

Maqasid al-Shari'ah, which emphasizes the safeguarding of fundamental human interests, is closely associated with sustainability. The term *maqasid al-Shari'ah* refers to the objectives and purposes that the Lawgiver, Allah (SWT), has established in all His rulings, whether they pertain to commands or prohibitions (Smolo, 2013). According to al-Ghazali (1997), the five fundamental components of *maqasid* are faith (*din*), life (*nafs*), intellect (*aql*), lineage (*nasl*), and wealth (*mal*). The Qur'an points out the significance of safeguarding life, stating: "Do not kill the soul which Allah has forbidden, except by right" (Qur'an, 17:33). *Maqasid al-Shari'ah*, as highlighted by Laldin and Djafri (2021), is crucial in guiding Islamic finance towards proper conduct by incorporating social, environmental, and economic responsibilities into its framework, so ensuring the welfare of all stakeholders. The *maqasid al-Shari'ah* framework aligns Islamic finance with sustainability by ensuring that financial operations foster long-term societal well-being. Safeguarding wealth (*hifz al-mal*), a primary objective, aligns with modern principles of environmental conservation and equitable economic distribution (Kamali, 2010; Khan, Zaidi, Mahmood, and Khan, 2024; Akbar, 2022). Green Sukuk illustrates the core of *maqasid* by financing environmentally sustainable initiatives in accordance with Shari'ah requirements, as articulated by Khan and Tabet (2023a). Islamic financial products, when aligned with *maqasid*, guarantee just wealth creation, foster environmental sustainability, and improve societal welfare (Azmin et al., 2024). The following section will clarify the complex relationship between Islamic jurisprudence and sustainability in finance by analysing how Islamic legal maxims shape the creation of sustainable financial practices.

4.3 The Use of Islamic Legal Maxims in Sustainable Financing

By studying the rulings and principles of Shari'ah, scholars have drawn general conclusions based on the Qur'an and the Sunnah of the Prophet (PBUH). To simplify Shari'ah rulings for the general public and make them easier to remember – and, consequently, easier to apply – scholars over time developed certain legal maxims known as *al-qawa'id al-fiqhiyyah*. In essence, *al-qawa'id al-fiqhiyyah* serve as a form of codification of Shari'ah (Smolo, 2013; Akbar et al., 2023).

Consequently, *al-qawa'id al-fiqhiyyah* forms a rudimentary framework to clarify Shari'ah ideas in the scope of sustainable life in the financial and social realms. Like the application of legal maxims, it extends and focuses sustainable social values on asset protection and harm prevention, while balancing community demands and personal interests. In the subsequent sections, it is proposed that legal maxims should be employed in sustainable finance.

Harm must be eliminated (*al-darar yuzal*): The Prophet Muhammad (PBUH) is attributed with the statement, "There should be neither harm nor reciprocating harm" (Hadith 33, Book 13 in Ibn Majah, n.d.). This hadith serves as the foundation for the Islamic legal maxim *al-darar yuzal*, which translates to "harm must be eliminated". This principle, central to the framework of Islamic

finance, explicitly prohibits actions that cause harm, whether direct or indirect. In sustainable finance, this rule also bans actions that endanger people, communities, or the planet.

Al-Zuhayli (2003) says practices like *riba* (usury), *gharar* (too much uncertainty), and *maysir* (gambling) cause harm because they shake up social and economic stability creating unfairness and taking advantage of others. This means Islamic financial groups must stay away from anything that hurts society's well-being or harms the environment. They can't invest in businesses that damage nature or use up resources too, which fits with the worldwide push for investing that cares about society.

Dusuki and Bouheraoua (2011) point out that the idea of *al-darar yuzal* pushes Islamic financial practices to back efforts that cut down on harm. This includes supporting clean energy projects and farming methods that last, which strengthens the link between Islamic finance and bigger goals for sustainability.

Matters are assessed according to their goals (*al-umur bi-maqasidiha*): Islamic law puts a lot of weight on the morality and legitimacy of actions, which depend on the reasons behind them. All Islamic financial products need to line up with what Shari'ah aims for when it comes to fairness, equality, and keeping things going for the long haul, as a saying from *Sahih al-Bukhari* points out (Hadith 1, Book 1 in Al-Bukhari, 1981). This shows that business activities should not just follow the rules of Shari'ah but also contribute to the overall well-being of the community (Ibn Qayyim, 2010).

Financial instruments like *sukuk* (Islamic bonds) and *mudarabah* (salient partnership) should contribute to the higher goals of Shari'ah. These objectives include poverty alleviation, protection of the environment, and economic justice promotion (Avdukić and Smolo 2024; Nyazee 2000; Smolo, Saba, Ismail, & Mahomed 2024). This approach, with its congruence in ideas of sustainability, advocates for the generation of profit and the preservation of resources for future generations. It challenges Islamic financial institutions to consider the long-term impact of their investments on people and the planet.

Hardship begets facility (*al-mashaqqah tajlib al-taysir*): This idea suggests that Islamic law, though strict, may adapt and allow options in times of struggle. The Qur'an points out, "Allah desires for you ease and does not seek your hardship" (Qur'an 2:185). This rule encourages the creation of Islamic finance options to help more people access financial services and ease money troubles for those in the community who are struggling.

Islamic microfinancing offers a good way to do this. It gives interest-free loans and profit-sharing deals to small businesses and entrepreneurs. These programmes aim to reduce hardship and boost economic power by helping people get affordable financial services.

Obaidullah (2008) states that the principle of *al-mashaqqah Talib al-taysir* makes sure that financial services in Islamic institutions offer versatile opportunities for improved social welfare, at the same time attempting to minimize inequality, in particular for vulnerable groups. Also, Ibn Qudamah (2007) has

identified in his book *Al-Mughni* that such principles govern financial restructuring in bad times. The principles enable an altered agreement between partners regarding the profit-sharing ratio or deferring debt settlement to ease off a party's burden.

Certainty is not overruled by doubt (*al-yaqin la yazul bil-shakk*): This principle also focuses on decisions in finance having to be made based on clear and tangible benefits, not based on ambiguous or hurtful strategies. It forms the very basis of Islamic banking and finance and completely contradicts the speculative nature of conventional finance, whereby transactions often depend on uncertainty or risk without adding real economic value.

Moreover, the principle encourages investment in areas where return is clearly high and certain, such as sustainable agriculture or renewable energy, rather than risky speculation on the stock market or trade in high-risk derivatives. Islamic financial instruments have to retain transparency and clarity in the transaction so that the investors are able to decide upon investments with security and dependability of return.

According to Usmani (2021), Islamic finance encourages long-term sustainability and stability in economic activities because all actions that could eventually contribute to financial instability or destruction of the environment have been prohibited, as is mentioned in the maxim *al-yaqin la yazul bil-shakk*.

Custom is a basis for judgement (*al-'adah muhakkamah*): This principle is indispensable for the development of Islamic finance in modern contexts. It is acceptable to combine the new inventions with the previous knowledge; however, this should not contradict the principles of Shari'ah. According to Dusuki and Bouheraoua (2011), it is by combining modern financial technology and conventional Islamic precepts that Islamic financial institutions can therefore innovate products, such as green sukuk and Islamic fintech solutions, within the ambit of sustainable financing. This is demonstrated in the issuance of green sukuk for financing environmentally viable projects, a melding of the traditional concept of sukuk with modern sustainability imperatives. In this way, Islamic finance progresses to meet today's needs yet stays in concert with its foundational ethical imperatives, as Billah et al. (2024) have observed.

This is the prime principle of applying Islamic financial practices in current perspectives. Modern-day inventions can be included with traditional knowledge, provided they are Shari'ah-compliant. Dusuki and Bouheraoua (2011) highlight that the amalgamation of modern financial technologies and traditional Islamic principles actually allows Islamic finance to devise products, including green sukuk and Islamic fintech solutions, on a sustainable financing platform. This is demonstrated, for example, in the case of green sukuk, which finances an environmentally viable project, thereby connecting a very traditional notion of sukuk with modern objectives of sustainability. It is through such integration that Islamic finance moves forward and meets the demands of contemporary society, yet remains true to its foundational ethical footing, as was discussed by Billah et al. (2024).

Table 4.2 Islamic Financial Instruments Promoting Sustainability

<i>Instrument</i>	<i>Application in Sustainability</i>	<i>Example</i>
Green Sukuk	financing renewable energy and eco-friendly initiatives	Malaysia’s green sukuk initiative
Islamic Microfinance	supporting small businesses and sustainable farming	Bangladesh Islami Bank microfinance programmes
Zakat and Waqf	redistributive approaches for social welfare and poverty alleviation	Waqf for education and healthcare projects in Indonesia

Source: Authors’ own.

4.3.1 Utilization of Legal Maxims in Islamic Financial Instruments

The incorporation of Islamic legal maxims into financial products enhances the development of moral and sustainable financial solutions. Usmani (2021) contends that addressing ecological issues and ensuring Islamic financial products comply with Shari’ah renders these ideas as foundational guidelines. Table 4.2 demonstrates the application of these strategies in advancing sustainability in practice.

4.3.2 Green Sukuk

Green *sukuk* was created as a new Islamic financial instrument to be applied for green and environmentally friendly developments, such as renewable energy projects. Green sukuk emissions should follow the *meezan* principle to ensure there would not be any potential conflicts between economic development and care about the environment (Biancone & Radwan, 2018). Therefore, it respects the maxim *al-darar yuzal* that prohibits financing those projects harmful to the environment. The underlying principle of green *sukuk* projects is to protect ecological balance, as explained in the verse: “Do not cause corruption upon the earth after its reformation” (Qur’an 7:56). Besides, green *sukuk* follows the maxim *al-umur bi-maqasidiha*, which means that things are judged by their intentions.

The issuance of green *sukuk* should be to finance projects that contribute to environmental protection and social welfare for the fulfilment of the higher objectives of Shari’ah, namely the protection of the environment (*hifz al-nafs*) and wealth (*hifz al-mal*). As Billah et al. (2024) put it, such a clearly spelled-out purpose would ensure that efforts in that direction are geared towards the wider goals of sustainability and proper financing.

4.3.3 Islamic Microfinance

Islamic microfinance is one of the important poverty alleviation and small enterprise assistance strategies, particularly in developing countries. It

advocates for financial solutions that reduce obstacles and increase comfort, particularly for vulnerable groups, in accordance with the concept of *al-mashaqqah tajlib al-taysir* – hardship begets facility. As stated by Obaidullah (2008), Islamic microfinance organizations provide access to financial services for people unable to reach classical banking; therefore, they enhance financial empowerment through long-term entrepreneurial ventures. Financial matters are to be simplified. The Prophet Muhammad (PBUH) is reported to have said in *Sahih al-Bukhari*, “Facilitate matters and do not complicate them”. Islamic microfinance ensures the provision of financial assistance following Shari’ah by avoiding *riba* and adopting profit-sharing mechanisms such as *mudarabah* and *musharakah* (partnership) (Hassan & Ashraf, 2010; Khan, A. et al., 2024). These models will ensure that financial instruments serve their purpose in promoting social justice and economic empowerment through the maxim of *al-umur bi-maqasidiha*.

4.3.4 *Zakat and Waqf*

Zakat and *waqf* are two major Islamic redistributive mechanisms that must be financed to attain sustainable development. The maxim *al-umur bi-maqasidiha* gives direction to the use of *waqf* and *zakat* in ensuring Shari’ah objectives are met, notably in terms of social welfare and poverty alleviation. *Zakat* fulfils the higher goal of economic justice by ensuring that wealth is transferred to the less fortunate. The verse “Take from their wealth a charity by which you purify them and cause them to increase” (Qur’an, 9:103) highlights the moral obligation towards wealth distribution that ensures an economic system much more equitable and egalitarian (Siddiqi, 1996). *Waqf* facilitates perpetual philanthropic endowments that create ecologically beneficial projects including but not limited to the likes of hospitals, educational institutions as well as conservation efforts. The regulation of *waqf* aims to avoid deterioration or diversion of the endowed properties to ensure that the assets contribute to the benefit of the public without inflicting harm and hence uphold the maxim of *al-darar yuzal*. Cizakca (1998) argues that *waqf* directly supports the long-term objectives of Islamic finance by contributing to social welfare through sustainable projects.

4.4 **Financing Sustainability: Islamic Financial Institutions Utilizing *Meezan* as a Framework**

To implement sustainability, it is of great importance for Islamic financial institutions (IFIs) to integrate the *meezan* into the foundation of all business activities. For instance, Usmani (2021) explained that such organizations are supposed to direct all operations in finances under Shari’ah rules, emphasizing the principles of justice, equality, and preservation of society and the environment. In this context, integrating *meezan* into IFIs is mandated by religious principles and establishes a foundation for sustainable long-term investments and financial dealings. In other words, IFIs are under the supervision of

Shari'ah supervisory boards (SSB), which needs to guarantee that the financial services and products conducted by IFIs comply with Islamic law. They are bound, according to Hayes and Vogel (1998), to ensure that financial activities should benefit the welfare of future generations in addition to the *halal*-permissible aspect. By doing this, IFIs naturally encourage moral financing and investments that put social justice, poverty reduction, and environmental sustainability at the forefront of their philosophy (Smolo et al., 2024).

The concept of sustainability in Islamic finance is emphasized by the Qur'an, which highlights the importance of judicious resource management and the imperative of making financial choices that prevent harm or waste. According to Ahmed (2011), the SSBs that guide the IFIs should then focus on the concept of moderation and resource management for developing sustainable practices over time. *Meezan* integration into Islamic finance does not end with academic discussion as it is also practically implemented through various financial instruments and methods that promote sustainability. One significant example was the issuance of green *sukuk* in Southeast Asia, particularly Malaysia and Indonesia. The next section reviews the efforts of different governments to implement Islamic finance principles, such as green *sukuk*, to address pressing environmental concerns while adhering to *maqasid al-Shari'ah* framework.

4.4.1 Green Sukuk Issuance in Southeast Asia

Green *sukuk*, Islamic bonds specifically designed to finance environmentally friendly projects, have already been issued by Malaysia and Indonesia. The Islamic financing structure of this green *sukuk* aligns with the *maqasid al-Shari'ah* framework, including the realization of social and environmental justice and the protection of wealth (*hifz al-mal*), as mentioned by Ahmed (2011). Green *sukuk* projects generally cover energy-efficient technologies, renewable energy, and sustainable infrastructure, hence promoting resource management and environmental conservation. It marked a milestone for Islamic banking and an important step towards the renewable energy target set by Malaysia. SSBs monitor the issuance to ensure that it complies with Islamic legal requirements, that the investments are in conformity with the ethical parameters of Islamic finance, and that it is environmentally sustainable.

Billah et al. (2024) argue that Malaysia's green *sukuk* is one good example of how Islamic finance can facilitate the achievement of international environmental goals through an alternative ethical investment instrument. Indonesia is also becoming one of the leading countries in using green *sukuk* for environmentally friendly projects. In 2018, Indonesia issued its maiden sovereign green *sukuk*, raising \$1.25 billion in funds for various projects centred on catastrophic risk mitigation, sustainable agriculture, and renewable energy. This project received an award because it involved the application of *maqasid al-Shari'ah* in new financial instruments to address some of the current environmental problems in the country. According to Dewi (2022), Indonesia's green *sukuk* has become a reference for other countries on how to apply Islamic financing

mechanisms to internalize environmental sustainability into economic development. Its success in financing environmentally viable projects notwithstanding, there are challenges that need to be addressed. It is essential to ensure projects financed by green *sukuk* align with the goals of sustainability and Islamic values. It is the responsibility of the SSBs and environmentalists to monitor compliance always. In addition, education and raising awareness about the potential of green *sukuk*, among other sustainable financial innovations, is paramount in the Islamic finance industry (Billah et al., 2024). Despite the many promising prospects, green *sukuk* also come with some options. Islamic finance is strategically placed to take the lead in the provision of ethical and ecologically sustainable investment solutions since the global demand for such options has continued to rise.

4.4.2 Islamic Microfinance Initiatives for Sustainable Agriculture

Islamic microfinance has emerged as one of the most important tools for poverty alleviation and the promotion of sustainable agriculture, mainly for developing countries. Islamic microfinance institutions (IMFIs) operate in conformation with Shari'ah law, ensuring their financial activities are morally correct to principles of social justice and sustainability. Obaidullah (2008) and Obaidullah and Khan (2008) argue that increasing small-scale farmers' access to capital for environmentally sustainable practices and technology is one of the primary ways Islamic microfinance supports sustainability. In many countries, especially with large Muslim populations, many different Islamic microfinance programmes have successfully supported sustainable agriculture. These projects, through increasing access to cash by small farmers, have achieved their purpose of aligning with some Shari'ah objectives that include the preservation of life (*hifz al-nafs*) and the safeguarding of wealth (*hifz al-mal*). The projects also tend to foster poverty alleviation, improvement in food security, and environmentally sustainable agricultural practices by encouraging ethical financial behaviour.

Islami Bank Bangladesh Limited established microfinance programmes in Bangladesh and targeted the small-scale farmers there. Farmers can use an interest-free loan, that is *qard al-hasan*, and profit-sharing contracts, that is *mudarabah*, with a bank to invest in such sustainable agriculture as organic farming, renewable energy for irrigation systems, and so on. In this way, this technique will ensure that farmers do not compromise environmental integrity nor their religious beliefs in increased productivity. Obaidullah (2008) claims that microfinance programmes in promoting sustainable farming have increased farmers' financial capacity and thereby helped in the conservation of the environment. An example is the *Baitul Maal wa Tamwil* (BMT) system in Indonesia that supports rural farmers through the integration of microfinance with Islamic banking principles. The BMT provides access to credit for environmentally friendly farming practices, such as organic farming and

agroforestry, through Shari’ah-compliant products like *musharakah* (joint venture) and *ijarah* (leasing) (Mahomed and Saba, 2024; Wulandari & Kassim, 2016). These agreements ensure that the financed projects are socially and environmentally responsible while promoting equitable profit-sharing. The achievements of these programmes demonstrate the capacity of Islamic microfinance to foster sustainable agricultural growth.

Even though Islamic microfinance significantly encourages sustainable agriculture, it has a lot of limitations. A key concern is that IMFIs have limited access to finances. It limits their capacity to cater to more farmers (Wulandari & Kassim, 2016). In addition, there is often a general lack of awareness among the rural populations about Islamic microfinance products and how those could be useful for them in terms of achieving better farming practices. Nevertheless, there are considerable prospects for Islamic microfinance here as well. IMFIs can also play a significant role in environmental protection, poverty alleviation, and food security by incorporating sustainable agricultural practices with Shari’ah-compliant financial tools. Chapra (2016) further argues that the future of Islamic economics will depend upon its ability to address critical social and environmental challenges facing humanity, especially the need for sustainable agriculture.

4.5 Challenges and Opportunities in Leveraging Meezan for Sustainable Financing

The *meezan* concept represents a holistic approach to integrating environmental objectives into Islamic finance principles, but some issues need to be resolved for its successful implementation. The challenges are from both external factors, which relate to international financial standards, and internal constraints within Islamic financial institutions. These challenges also present opportunities for growth, innovation, and consistency with the global environmental agenda. Table 4.3 gives the challenges that Islamic Finance Institutions face and the avenues available for their increased significance.

Table 4.3 Challenges and Opportunities in Financing Sustainability through Islamic Finance

<i>Challenges</i>	<i>Opportunities</i>
Lack of Awareness and Standardization	Growing demand for green investments
Measuring Impact and Sustainability	Potential for fintech to enhance transparency
Fragmented Regulatory Frameworks	Alignment with global frameworks like the SDGs

Source: Authors’ own.

4.5.1 *Lack of Awareness and Standardization in Islamic Financial Institutions*

The insufficient understanding and awareness of Shari'ah-compliant financial instruments, especially among participants in the broader financial sector, constitutes a significant barrier to the implementation of the *meezan* framework for sustainable financing. Due to insufficient exposure to and understanding of Islamic finance concepts, Islamic financial products that emphasize value and sustainable investment – such as green *sukuk* and *zakat*-based microfinance initiatives – are often misread or overlooked in numerous regions globally. The lack of uniformity in Islamic finance, especially with governance and regulatory frameworks, poses considerable challenges. Diverse interpretations of Shari'ah law across jurisdictions frequently result in disparate implementations of Islamic financial products, potentially leading to misconceptions and impeding the global growth of Islamic banking (COMCEC, 2022; Hidayat, Musari, Masrohatin, & Smolo, 2024; Smolo, 2009a, 2009b, 2011; Smolo & Habibovic, 2012; Smolo & Smajic, 2011; Raheem & Smolo, 2024).

According to Asutay (2007), this difficulty is worsened by the prominence of Islamic financial institutions that are still in the early stages of incorporating sustainability into their core operations, limiting the industry's capacity to adopt standardized procedures and stimulate innovation. The challenge of achieving uniformity is exacerbated by the diversity of Shari'ah boards across different nations and organizations. Another complication arises in establishing an international standard for Islamic finance. There are divided opinions by Islamic scholars on the issue of the acceptability of financial instruments, particularly sustainability. Such fragmentation might curtail the potential influence of Islamic finance on the global agenda on sustainability and slow down the adaptation processes in sustainable finance, as was noted by Laldin and Djafri (2021).

4.5.2 *Challenges in Assessing Sustainability and Impact*

Another major challenge is how to quantify the contribution of Islamic financial products to achieving the sustainability goals. According to the established principle, Islamic finance is intrinsically ethical, which considers social justice, equity, and causing minimal harm (*al-darar yuzal*) as priorities. Nonetheless, quantitative methodologies and instruments for evaluating the social and environmental impacts of Islamic financial products, such as *sukuk* or *zakat*-based funds, are often deficient. Consequently, it is difficult to ascertain if these technologies genuinely advance sustainability or only satisfy the minimal criteria of Shari'ah compliance. Although green *sukuk* are praised for financing ecologically beneficial activities, ensuring that these projects adhere to Shari'ah standards and sustainability criteria at all stages can be challenging. The goal of *Meezan*, which is to promote justice and balance, could be compromised if monies obtained through Islamic financing are not properly monitored and impact assessed.

4.5.3 Opportunities to Use Meezan to Finance Sustainability

There are substantial opportunities as well as barriers to the broad adoption of sustainable practices in Islamic finance, as previously mentioned. These prospects are brought about by the expanding demand for green and good investments around the world as well as the creative potential of Islamic fintech and circular economy (Ali & Jumat, 2021). Islamic financial institutions are better positioned to contribute to the cause of sustainability due to the close integration between the principles of *meezan* and *maqasid al-Shari'ah*. One such possibility is integrating Islamic finance with global frameworks for sustainability, such as the SDGs. The goals of *maqasid al-Shari'ah*, coupled with the concept of *meezan*, match several SDGs, including poverty reduction, sustainable energy, and climate change mitigation. By adhering to international goals and ambitions, Islamic financial institutions could create a wider audience of stakeholders and investors who want to focus more on ethics and sustainability in their investment decisions. Indeed, the industry holds enormous opportunities for innovation, notably within the development of new products to match increasing demand for sustainability. It encompasses, but is not restricted to, proposing new Shari'ah-compliant financial securities for carbon trading, green investment schemes, and sustainable *takaful* insurance products. With a clear and proactive vision towards innovation, the Islamic financial institutions effectively established a model for sustainable financial systems around the globe.

Islamic banking and finance stand to benefit uniquely in their balanced underpinning as the world moves more and more towards sustainable funding. In Islamic finance, which goes hand in hand with socially responsible investing (SRI), investors also stress much about the consequences their actions may have on the environment and society. The ever-increasing prominence of green *sukuk*, for example, is specially designed to facilitate environmentally friendly projects in regard to a rising interest in ethical and green finance. In the past decade, there has been a very considerable rise in interest in green investments around the world, particularly green *sukuk*. Billah et al. (2024) argued that Southeast Asia, along with Malaysia and Indonesia at the forefront, has been leading in regard to issuing green *sukuk* to finance renewable energy projects and sustainable infrastructure. The global proliferation of ESG investing offers Islamic financial institutions better opportunities to diversify their product portfolios since Shari'ah-compliant and ESG-compliant assets conform to similar criteria.

The reception of financial technology (Fintech) opens up a number of avenues for enhancing the integration of sustainability into Islamic finance practices, which represents a significant development within the Islamic finance industry. Blockchain technology, digital platforms, and smart contracts are examples of fintech innovations that have the potential to significantly improve the accessibility, efficiency, and transparency of Islamic financial services, notably sustainable investing. The value-added framework of Islamic finance,

together with the advent of fintech, provides a unique opportunity to address environmental issues while also promoting social welfare, justice, and equity. By adopting these innovations, Islamic financial institutions will be better positioned to set the standard for sustainable finance and attract both Muslim and non-Muslim investors looking for socially responsible investment possibilities. This chapter's primary conclusions are encapsulated in Table 4.4, illustrating how the concept of *Meezan* underpins many Islamic financial products and processes, thereby facilitating the financing of social, environmental, and economic sustainability.

This chapter explores the concept of *Meezan*, within Islamic economics and its significance in promoting sustainable financing through Islamic finance. The Qur'anic and Sunnah-derived *Meezan* principles provide a foundational framework for just financial behaviour, ensuring that economic activities do not disrupt the natural, social, or economic equilibrium (Özdemir, 2022). The Qur'an emphasizes the necessity of preserving balance when addressing modern challenges such as economic inequality and environmental damage through Islamic finance. This chapter looks at how Islamic finance encourages balanced and sustainable financial practices in line with Maqasid al-Shari'ah. Islamic finance promotes resource conservation and wise allocation, which is consistent with modern ideals of sustainability. This is especially evident in Maqasid al-Shari'ah's five primary purposes, particularly *hifz al-mal* (wealth protection).

In addition to this, the framework is reinforced by legal maxims that prohibit the practice of detrimental business operations (*al-darar yuzal*), promoting sound financial experiences that can be easily attainable to everyone (*al-mashaqqah tajlib al-taysir*), ensuring that financial products serve their intended functions (*al-umum bi-maqasidiha*), advocating for emphatic and certain benefits in the financial decisions avoiding speculative and injurious investments (*al-yaqin la yazul bil-shakk*), and advancing innovative contemporary Islamic financial products (*al-'adah muhakkamah*). These principles have been applied to Islamic microfinance and green *sukuk* projects, illustrating the relevance and flexibility of Islamic legal principles in approaching contemporary environmental issues. An example of the application of Islamic finance to generate sustainable economic growth coherently with Shari'ah law is presented by green *sukuk* for financing renewable energy in Southeast Asia.

Further, Islamic redistributive institutions, such as *zakat* and *waqf*, serve as vital conduits in supporting sustainable development. The mechanism involves fund distribution towards welfare schemes like poverty eradication and environmental preservation. This underlines the possibility that the role of such an instrument in developing microfinance and sustainable agriculture may result from the full capacity of Islamic finance in order to enhance equity, balance, and social justice within an economic framework. With that view, Islamic finance has brilliant prospects to further improve stabilized and sustainable investment practices for a better future. Predisposed to justice, fairness, and care for the environment, Islamic financial institutions hold a comparative

Table 4.4 Meezan (Balance) in Islamic Economics and How Islamic Finance Can Help Advance Sustainable Financing

Aspect of <i>Meezan</i> (Balance)	Description	Islamic Financial Instrument or Concept	Sustainable Impact	Key References
Environmental Balance	Focuses on using natural resources sustainably, as required by Islamic principles.	Green <i>Sukuk</i> , <i>Ijarah</i> (leasing)	Funding environmentally friendly initiatives and halting environmental deterioration	Qur'an 55:7-9, Biancone & Radwan (2018)
Social Balance	Prioritize social welfare, fairness, and equity while encouraging inclusive growth and the fight against poverty.	<i>Zakat</i> , <i>Waqf</i> , Islamic Microfinance	Redistributing money to reduce poverty and advance social justice	Obaidullah (2008), Siddiqi (1996), Cizakca (1998)
Economic Balance	Guarantees Shari'ah-compliant fair trade, openness, and equitable financial procedures.	<i>Murabahah</i> , <i>Mudarabah</i> , <i>Musharakah</i>	Reducing speculative behaviours (<i>gharar</i>) and embracing balanced investing	Usmani (2021), Mirakhor & Zaidi (2007)
Financial Balance	Discourages damaging speculation (<i>gharar</i>) and promotes prudent risk-sharing.	Risk-sharing contracts (<i>Mudarabah</i> , <i>Musharakah</i>)	Facilitates long-term economic growth and financial stability	Ahmed (2011), Billah et al., (2024)
Ethical Balance	Ensures no harm by bringing financial activities into compliance with Islamic ethical norms (<i>al-darar yuzal</i>).	Islamic Ethical Investment (Shari'ah-compliant)	Encourages stable investing and sustainable development	Lalain & Djafri (2021), Asutay (2007)

Source: Authors' own.

advantage in leading initiatives that meet the demand for green and socially responsible investment. Technological advancement through fintech will also contribute to increased access and transparency of Islamic financing, hence contributing to sustainability. Islamic banking presents an all-rounded approach in which economic development is equated with environmental sustainability and social equity, thus appealing to the critical global challenges of resource depletion, climate change, and economic disparity. As an all-embracing balanced paradigm, the *meezan* concept would be able to bring fundamental changes to the financial sector because it has the potential for increase in environmentally friendly and future generations-saving investment.

Acknowledgement

This chapter is based on research funded by a special research grant from the Centre for Islamic Economics (CIE), International Islamic University Malaysia (IIUM), under the Ministry of Finance (MOF) Special Budget 2025 initiative.

References

- Ahmad, A., & Bruch, C. (2002). Maintaining Mizan: Protecting biodiversity in Muslim communities. *Environmental Law Reporter - News & Analysis*, 32, 10020.
- Ahmed, H. (2011). Maqasid al-Shari'ah and Islamic financial products: A framework for assessment. *ISRA International Journal of Islamic Finance*, 3(1).
- Akbar, M. A. (2022). Towards an interpretation of cryptocurrency as a commodity from Maqasid al-Shari'ah perspective. *International Journal of Islamic Economics and Finance Research*, 5(2 December), 99–112.
- Akbar, M. A., Mohd Thas Thaker, M. A., Mohammed, M. O., Nik Mat, N. H., & Abd Aziz, H. (2023). Prominent scholars in Islamic economics and allied disciplines: A bibliometric review. *Journal of Islamic Accounting and Business Research*. <https://doi.org/10.1108/JIABR-03-2023-0114>
- Al-Bukhari, M.I. (1981). *Sahih al-Bukhari*. Beirut: Dar Ihya' al-Turath al-Arabi.
- Al-Ghazali. (1997). *Tahafut al-falasifah (Incoherence of the philosophers)*. Translated by Michael Marmura. Provo, Utah: Brigham Young.
- Ali, S. N., & Jumat, Z. H. (2021). Islamic finance and circular economy: An introduction. In *Islamic Finance and Circular Economy: Connecting Impact and Value Creation* (pp. 1–7). Singapore: Springer Singapore.
- Al-Zuhayli, W. (2003). *Al-Fiqh al-Islami wa Adillatuhu*. Beirut: Dar al-Fikr.
- Asutay, M. (2007). Conceptualisation of the second best solution in overcoming the social failure of Islamic finance: Examining the overpowering of homoislamicus by homoeconomicus. *IIUM Journal in Economics and Management*, 15(2), 167–195.
- Avdukić, A. and Smolo, E. (2024). Promoting sustainable development through Islamic social finance. E. Smolo and M. M. Raheem (Ed.). *The Future of Islamic Finance*. Emerald Publishing Limited, Leeds, pp. 121–139. <https://doi.org/10.1108/978-1-83549-906-120241008>
- Azmin Shompa, Z., Akbar, M. A., & Mohd Mohadis, H. (2024). Harmonizing Maqasid al-Shari'ah with sustainable waste management practices: A conceptual framework for principles and implementation. *International Journal of Islamic and Middle Eastern Finance and Management*. <https://doi.org/10.1108/IMEFM-02-2024-0061>
- Biancone, P. P., & Radwan, M. (2018). Sharia-compliant financing for public utility infrastructure. *Utilities Policy* 52 (giugno): 88–94. <https://doi.org/10.1016/j.jup.2018.03.006>

- Billah, M. M. S., Hassan, R., Haron, R., Rosman, R., & Naba'Billah, A. (Eds.). (2024). *Islamic Green Finance: A Research Companion*. Taylor & Francis.
- Chapra, M. U. (2016). *The Future of Economics: An Islamic Perspective* (Vol. 21). Kube Publishing Ltd.
- Cizacka, M. (1998). Awqaf in history and its implications for modern Islamic economies. *Islamic Economic Studies*, 6(1).
- COMCEC. (2022). *Standardization Efforts in Islamic Finance*. COMCEC Coordination Office. <http://ebook.comcec.org/Kutuphane/Icerik/a5231a21-a35d-42fb-afbf29b4ec4e1e2.pdf>
- Dewi, G. (2022). Challenges and opportunities for the development of green sukuk in Indonesia. *Budapest International Research and Critics Institute (BIRCI-Journal): Humanities and Social Sciences*, 5(3), 18488–18500.
- Dusuki, A. W., & Bouheraoua, S. (2011). The framework of Maqasid al-Shari'ah and its implication for Islamic finance. *ICR Journal*, 2(2), 316–336.
- Hassan, M. K., & Ashraf, A. (2010). An integrated poverty alleviation model combining zakat, awqaf and micro-finance. In *Seventh International Conference–The Tawhidic Epistemology: Zakat and Waqf Economy, Bangi, Malaysia* (pp. 261–281).
- Hidayat, S. E., Musari, K., Masrohatin, S. and Smolo, E. (2024). The future of Islamic finance. E. Smolo and M. M. Raheem (Ed.) *The Future of Islamic Finance*. Emerald Publishing Limited, Leeds, pp. 221–242. <https://doi.org/10.1108/978-1-83549-906-120241014>
- Ibn Majah, A. A. Y. A. (n.d.). *Sunan Ibn Majah*. Eds., M. F. A. Baqi', Beirut: Dar al-Ihya' al-Turath 'Arabi.
- Ibn Qayyim, M. (2010). *I'lam al-Muwaqqi'in*. Beirut: Dar al-Fikr.
- Ibn Qudamah, M. (2007). *al-Mughni*. Beirut: Dar Ibn Hazm.
- Iqbal, Z., & Mirakhor, A. (2017). *Ethical Dimensions of Islamic Finance: Theory and Practice*. Palgrave Macmillan.
- Kamali, M. (2010). *Racial discrimination: Institutional patterns and politics*. Routledge.
- Khan, A., Zaidi, S. B., Mahmood, A. and Khan, S. (2024). Achieving social well-being and financial inclusion through Islamic microfinance: A case study of Akhuwat Islamic microfinance. E. Smolo and M. M. Raheem (Ed.). *The Future of Islamic Finance*. Emerald Publishing Limited, Leeds, pp. 83–102. <https://doi.org/10.1108/978-1-83549-906-120241006>
- Khan, T., & Tabet, I. (2023a). A new framework for sustainable Islamic financial engineering with special reference to GCC countries. *Available at SSRN 4512134*.
- Khan, T., & Tabet, I. (2023b). Dynamic Equilibrium, Regenerative Development, and Designs of Islamic Financial Contracts. *Regenerative Development, and Designs of Islamic Financial Contracts (October 2, 2023)*.
- Khayyat, Z., Awara, K., Alonazi, A., Jamjoom, H., Williams, D., & Kalnis, P. (2013, April). Mizan: a system for dynamic load balancing in large-scale graph processing. In *Proceedings of the 8th ACM European conference on computer systems* (pp. 169–182).
- Laldin, M. A., & Djafri, F. (2021). *The Role of Islamic Finance in Achieving Sustainable Development Goals (SDGs)* (pp. 107–126). Springer.
- Llewellyn, O., Khalid, F. et al. (2024). *Al-Mizan: Covenant for the Earth*. Birmingham UK: Islamic Foundation for Ecology and Environmental Sciences.
- Mahomed, Z. and Saba, I. (2024). Sustainable development: Exploring the role of Islamic social finance in promoting sustainable development and social welfare. E. Smolo and M. M. Raheem (Ed.). *The Future of Islamic Finance*. Emerald Publishing Limited, Leeds, pp. 103–120. <https://doi.org/10.1108/978-1-83549-906-120241007>
- Mirakhor, A., & Zaidi, I. (2007). Profit-and-loss sharing contracts in Islamic finance. In *Handbook of Islamic banking*. Edward Elgar Publishing.
- Nyazee, I. A. K. (2000). *Theories of Islamic Law: The Methodology of Ijtihad*. Islamic Research Institute.

- Obaidullah, M. (2008). Role of microfinance in poverty alleviation: Lessons from experiences in selected IDB member countries. *Role of Microfinance in Poverty Alleviation* (No. 236). The Islamic Research and Teaching Institute (IRTI).
- Obaidullah, M., & Khan, T. (2008). Islamic microfinance development: Challenges and initiatives. *Islamic Research & Training Institute Policy Dialogue Paper*, (2).
- Özdemir, Ibrahim. (2022, January). The concept of al-Mizan (balance) as a framework for a new ethics of environment and sustainability. In *Creation-Transformation-Theology: International Congress of the European Society for Catholic Theology (August 2021-Osnabrück/Germany)* (Vol. 30, pp. 421–434). LIT Verlag.
- Raheem, M. M. and Smolo, E. (2024). Conclusion: Beyond the horizon. E. Smolo and M. M. Raheem (Ed.). *The Future of Islamic Finance*. Emerald Publishing Limited, Leeds, pp. 243–249. <https://doi.org/10.1108/978-1-83549-906-120241015>
- Siddiqi, M. N. (1983). *Banking without interest* (Vol. 5). Leicester: Islamic Foundation.
- Siddiqi, M. N. (1996). *Role of the State in the Economy – An Islamic Perspective*, The Islamic Foundation, UK.
- Smolo, E. (2009a, October–December). Sustaining the growth of Islamic financial industry: What needs to be done? *Islamic Finance Bulletin* (RAM), 26, Article 26.
- Smolo, E. (2009b, December 10). Sustainable growth of Islamic financial industry (IFI): Some unresolved issues. In *Curtin International Business Conference*, School of Business, Curtin University of Technology, Sarawak, Malaysia, December 10–12.
- Smolo, E. (2011, February). *Standard Procedure: The Future of Islamic Finance Industry Lies in its Consistency* (pp. 47–49). Business Islamica.
- Smolo, E. (2013). *Uvod u islamsku ekonomiju i finansije: teorija i praksa*. Sarajevo: Dobra Knjiga.
- Smolo, E., & Habibovic, E. (2012). Barriers to growth of Islamic finance: Issue of standardization. In A. Trakic & H. H. A. Tajuddin (Eds.), *Islamic Banking and Finance: Principles, Instruments and Operations* (pp. 715–737). The Malaysian Current Law Journal.
- Smolo, E., Saba, I., Ismail, N., & Mahomed, Z. (2024). Integrating Islamic finance into the sustainable development goals (SDGs). In *The Future of Islamic Finance* (pp. 65–82). Emerald Publishing Limited.
- Smolo, E., & Smajic, M. (2011, January 12). A road ahead for Islamic finance industry: A need for standardization. *Islamic Finance News*, 8(1), 18–19.
- Usmani, M. M. T. (2021). *An Introduction to Islamic Finance* (Vol. 20). Brill.
- Vogel, F., & Hayes, S. L. (1998). *Islamic Law and Finance: Religion, Risk, and Return*. Brill.
- Wulandari, P., & Kassim, S. (2016). Issues and challenges in financing the poor: Case of Baitul Maal Wa Tamwil in Indonesia. *International Journal of Bank Marketing*, 34(2), 216–234.