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И РЕГИОНОВ В КОНТЕКСТЕ
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ISLAMIC FINANCE: GLOBAL ECONOMIC BENEFITS

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Сагиева Р., Куанова Л. Исламские финансы: глобальные экономические преимущества

Аннотация. Актуальность исследованной в статье темы обусловлена спецификой исламских финансов, которые демонстрируют свои преимущества и находят распространение во всем мире, как в странах мусульманского общества, так и в развитых европейских странах. Поскольку исламское финансирование не смотря на активный рост и бурное обсуждение, не находит должного развития в странах Центральной Азии и Казахстана в частности, авторами поставлена цель изучения опыта и механизма лучшей адаптации и интеграции исламских финансов в финансовый сектор региона. Так же был произведен анализ преимуществ исламских финансов и выявлен потенциал влияния на глобальное и устойчивое развитие мировой экономики.

Ключевые слова: Исламские финансы, Исламский банкинг, потенциал, Шариат, Рибха.

Nowadays, when the world economy needs additional sources of financing for sustainable development, the role of Islamic finance is growing every day.

The difference between Islamic financing and the conventional one is that the Islamic economic system is a system on rules based on the principles of preserving property rights and the inviolability of contracts and has no speculative component.

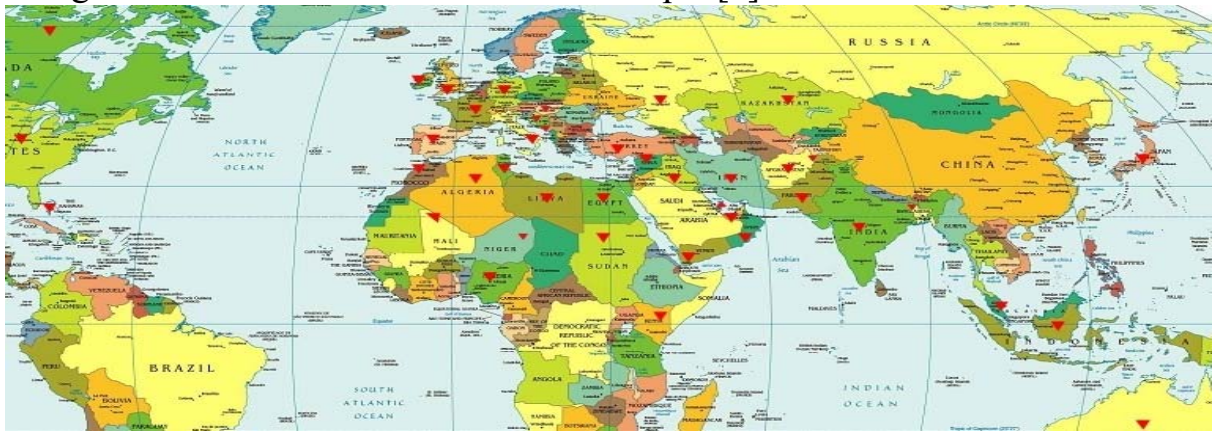
Summarizing several dozen attempts to give a scientific definition of this phenomenon, we can deduce that: The Islamic economic system is a system based on the rules formulated by Islamic law, known as Sharia. In turn, the Sharia consists of the constituent and regulatory rules by which each Muslim and his community should conduct their affairs. This is a system that prohibits a fixed expected interest rate (Riba) and danger or hazard, which is related to the concept of harmful uncertainty (Garar), and also allows determining the actual level of return on capital based on the profitability of the economic activity in which the funds are invested.

Islamic finance is a rapidly growing component of the financial sector in the world. According to Global Islamic finance report of 2017, the annual turnover of the Islamic finance market is estimated at 2.293 trillion US dollars,

which is 1% of all world assets, and average growth rate of World Islamic finance is 13,9% between 2009-2017. [1]

During the years of economic crisis there has been an increase in Islamic financial institutions by hundreds institutions, which indicates that the industry is being popularized despite the crisis period.

According to CIBAFI report of 2017, the geography of the spread of Islamic Finance and banking covers 75 countries and distributed in Gulf Cooperation Council and another non-GCC, Middle East and North Africa. Also, Islamic banks are developed in South Asia, in the East Asia and the Pacific region in Sub-Saharan Africa and in Europe. [2]



Source: compiled by IFSB, 2018 data [3]

Figure 1. - Map of distribution of financial products based on Islamic principles

As it can be seen from Figure 1, Islamic finance tools are distributed all over the world and this spread is related with assets based nature of Islamic finance industry, that assisted for increasing of Islamic financial institutions, especially Islamic banks from 1 in 1963 to 505 in 2018. [2]

Leader of amount of Islamic banking assets is Iran by 34.4%, then follows Saudi Arabia, 20.4%. In Malaysia, the share of Islamic banking assets is 9.1% of all banking assets, in the UK the share of Islamic banks is 0.18%, in Turkey – 2.6%, in Indonesia - 1.8%. [3]

For the further consideration of global benefits of Islamic finance, it is important to investigate features of main Islamic financial instruments, which authors decided to illustrate by following table.

The following countries will be studied in article as leaders of the industry: Iran, Saudi Arabia, Malaysia, UAE and Qatar. It is well known fact, that Islamic banking has gained the most popularity among developed countries in the US, and in Britain, experience of these countries will be considered in the research. Furthermore, there will be studied countries of the independent states (CIS).

Table 1. Features of Islamic finance products

Instruments	Strength	Weakness
Trade financing – Murabaha	The amount of payments is known to the client in advance	There is no possibility of receiving cash, because an Islamic bank acquires a certain asset and sells it to a customer on an installment charge [4]
Partnership – Musharaka	<ul style="list-style-type: none"> - Islamic Bank and client act as partners - Islamic Bank and client are interested in profitability of the project - The profit is shared in pre-agreed ratio - Both parties suffer losses in the amount of invested funds 	Islamic bank can participate in the project implementation together with a client.
Leasing – Idjara	The amount of lease payments is known to the client in advance.	The leased property must comply with the principles of Islamic finance [5]
Securities – Sukuk	<ul style="list-style-type: none"> - Share of the ownership of the underlying asset used by the company issuing the securities - Sukuk holders have the right to profits - The term to maturity of the Sukuk corresponds with the completion of the project or activity financed. 	<ul style="list-style-type: none"> - Sukuk holders bear various ownership costs that are paid out of their share of the profits. - Sukuk holders may bear losses if the underlying asset underperforms. - The capital of Sukuk holders is at risk of a loss in the value of the asset. [6]

Source: [4,5,6]

In the 1970s – 1980s, large Islamic banks such as the Dubai Islamic Bank (UAE), the Faisal Islamic bank of Egypt, the Faisal Islamic Bank of Sudan first were established in Muslim countries. In addition, the largest Islamic banks of Muslim countries include Abu Dhabi Islamic Bank (UAE), Faisal Islamic Bank of Egypt (Egypt), Al Rajhi Banking & Investment Corp (Saudi Arabia, there are branches in Malaysia), Shamil Bank of Bahrain (Bahrain).

It is well known fact that, the Gulf Cooperation Council countries are the largest region for Islamic finance assets, there are dual system of both local investment banks: First Islamic Investment Bank (Bahrain), The International Investment Bank (Kuwait), and international banks offering services consistent with Islam: HSBC, UBS (mainly in Bahrain and the UAE). Citibank has also been working with Islamic banking structures for a long time.

There are number of researches and reports which are concluded that regionally, the Gulf Cooperation Council continues as the largest domicile for Islamic finance assets. In 2017, the region experienced a slight moderation in

market share to 42% of the global Islamic Finance Services Industry. [7]

In the banking system of Malaysia, both ordinary and Islamic financial institutions operate. The main market in the Islamic financial system of Malaysia is the securities market, accounting for two thirds of the world sukuk market.

The Islamic assets of Malaysian banks amounted to 65.6 billion dollars. According to the Central Bank of Malaysia, the increase in Islamic banking by banks in the assets of the country's banking system amounted to 18-20% annual.[8] At the same time, it must be remembered that the role of the primacy in the Islamic segment of the banking system of Malaysia belongs to traditional financial institutions participating in an interest-free banking program. This model of developing Islamic finance in the country has assisted to the increasing in the sector and has provided implementation of Islamic finance and business.

The United Kingdom has one of the most advanced Islamic financial markets in the western world and is quickly becoming a key destination for foreign Shariah-compliant institutions. London in particular is an important financial center, with major international firms and the Middle East's biggest traditional banks offering Islamic products in this city.

According to the report published in 2017 by the International Financial Service London (IFSL), the UK is the leading Islamic financial center in Western Europe and ranks ninth in the world in terms of the corresponding Sharia assets in the amount of 10.4 billion dollars, services in this area are provided by 23 banks. [9]

In general, Islamic banking in the CIS countries has not received much development, which is due to the historically prevailing preferences of economic agents and to a low degree of client awareness. However, in recent years, awareness of the Islamic financial system has increased, in terms of an alternative source of funding.

The main reason that hinders the development of Islamic banking in the CIS countries is the inconsistency of the principles of Islamic financing to legislation. Kazakhstan is the founder of the legislative and regulatory framework for the work of Islamic financial institutions among the CIS countries.

Kazakhstan has fundamental role in the development of Islamic banking at the legislative level, and in the development of Islamic finance in the territory of the CIS and Central Asia. Today, the domestic market of Islamic finance is presented by: 2 Islamic banks, Al Hilal Bank, Zaman Bank and Islamic leasing companies "Ijara" and Al-Saqr Finance, Islamic micro finance company "New Finance", Islamic insurance company "Takaful" and others.[10] Kazakhstan was first country in CIS that created legislative framework for developing Islamic finance in country from 2008 and is still continuing to make changes and additions to legislative acts for further improvement of this industry.

There were at least three attempts to create Islamic banks in Russia, but

they were unsuccessful. Thus, Islamic banks opened in 1992 in Kemerovo and in 1996 in Makhachkala ceased to exist. More successful was the attempt to organize the Islamic Badr Bank in 1997, but also in December 2006, the Bank of Russia revoked its banking license.[11] In Kazan was opened created on the basis of traditional Tatagroprombank Center partner banking, which offers corporate and retail clients a range of products that also comply with the rules of Sharia in 2016. Currently, the legislator prefers small corrections with the help of multiple legislative acts, which, at least, is ineffective.

It is well known fact that, Islamic finance industry has potential growth opportunity in the context of the global and sustainable development of the world economy. This is confirmed by the data from the “Towards Sustainability” report, which predicts the growth of the Islamic finance sector to reach up to 3,78 trillion dollars by 2022. [12]

Table 2. SWOT analysis of Islamic finance

<p>Strength</p> <ul style="list-style-type: none"> • Availability of potential sales market • Control over the use of funds • Government support • Access to funding • Attracting long-term money • Based on real assets • New products and instruments 	<p>Weakness</p> <ul style="list-style-type: none"> • Start-up project (no market share, no business processes) • Lack of personnel with experience in Islamic finance products • Incomplete adaptation of banking and tax legislation to the specifics Islamic finance • Limited number of operating services • Limited area of investment (Halal industry)
<p>Opportunity</p> <ul style="list-style-type: none"> • Excess liquidity in Arab Countries • Stagnation of banking sector, as a result of reduced competition • Popularization of Islamic business practices among the business elite • High demand for resources from the corporate sector 	<p>Threat</p> <ul style="list-style-type: none"> • Poor public and business awareness of Islamic finance products • Need for additional work to clarify and promotion of Islamic financial instruments • Low rate of development of Islamic Finance in the region • The deepening of the financial crisis

It should be mentioned that, there are ranging stimulus and moving factors for the development of Islamic finance industry that vary from religious believes to the opportunities that exist in Islamic finance for broadening and deepening the process of financial brokerage. These factors augur well for financial innovation and engineering, enhanced financial services penetration in national jurisdictions, and better cross-border capital flows. Though the size of the Islamic financial industry is still not huge as a proportion of total financial assets of the world, current growth trends and infrastructure investments in the development of Islamic finance networks, and their regulatory and supervisory systems, lend confidence that this industry has promising potential.

Despite the existing and foreseeable challenges, the prognosis for Islamic finance seems to be positively validating the assertion that Islamic finance has become mainstream and is here to stay and grow. While Islamic finance remains set for growth expansion, a trend that can be expected to endure in the short to medium term is the variation of performance across sector. Banking and sukuk will continue to dominate the industry in terms of size. As the link between the real and nominal economy becomes more pronounced, the sectors of Islamic funds and takaful are bound to become more prominent.

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SMART CONCEPT FOR PROJECT MANAGEMENT – TRANSITION TO DevOps

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Стоянова М. Умная концепция управления проектами - переход к DevOps

Аннотация. Целью статьи является раскрытие перехода и развития управления проектом в его разнообразии и преимуществах, приносимых бизнесу. Будут рассмотрены три основные концепции управления проектами: *Lean*, *Agile* и *DevOps*. Каждая из этих философий стремится отвечать на вызовы бизнес-среды и быстро меняющихся потребностей клиентов с помощью различных инструментов. Сотрудничество между ними и переход от одного к другому сформировали