

IFN Non-Banking Financial Institutions Poll 2021: Another year, another celebration



Non-banking financial institutions (NBFIs) are of fundamental importance to our industry, filling the valuable and much-needed space that is left by traditional banking institutions, and often extending and outreaching to sectors of society and groups of consumers that might otherwise be left behind. In this year's IFN NBFI Poll, we are delighted to recognize, reward and congratulate the most vital cogs in this industry wheel, as voted for by our readers.

As always, we received an exceptionally high number of votes, demonstrating not only the stature and respect that these institutions command within the industry, but the high level of engagement they engender.

Best Islamic Financial Cooperative

The winner of our first category will come as no surprise, as this is a field in which it has achieved the top accolade numerous times. It might be small, but it is mighty within its own market. A country with barely a million people and a Muslim population of less than 20% of that, Mauritius has had a challenging start to its Islamic banking journey. Its only fully-fledged Islamic bank had its license revoked in 2020 after less than a decade in operation, and despite regulatory efforts, the market has struggled to truly take flight. Just a handful of Islamic banking windows now remain. But as the 'bridge to Africa', the potential is still significant, and as one of the first non-Muslim states to amend its legislation to accommodate Islamic finance, so is the political will.

Al Barakah Multi-Purpose Co-operative Society, our 2021 winner of Best Islamic Financial Cooperative, has stepped up to the plate in the absence of extensive formal banking provision, supplying around 10% of Muslims in the country with Shariah compliant financial products, including home financing, auto financing, property financing, trade financing and a Hajj savings account, among others. Its charitable provision offers Qard Hasan for medical and school funding, and its strong

community principles have led it to introduce an internal Takaful fund to protect and provide for those struggling to service their debts.

The runners-up were UIF Southfield MI USA, followed by Islamic Cooperative Finance Australia.

Best Islamic Leasing Provider

Once again, Sri Lanka surged to the fore this year with another win from LOLC's Islamic unit, Al-Falaah, as the Best Islamic Leasing Provider. Recently moved to its own corporate premises in Colombo, Al-Falaah plays a pivotal role in the subsidiaries of the LOLC Group, one of Sri Lanka's largest conglomerates, supporting potential Islamic business opportunities across the group. Its products include profit-sharing investment and savings accounts, leasing, trade financing, import financing, property and project financing and working capital financing. LOLC has a network of over 100 branches and service centers island-wide, including five stand-alone Al-Falaah centers.

Thailand's Amanah Leasing Public Company and Ijara Community Development Corporation in North America came in second and third respectively.

Best Islamic Microfinance Institution

Microfinance is one of the most crucial methods to reach out to underserved communities, and Islamic microfinance is integral to financial inclusion in many countries around the world. Again, last year's winner stood firm and held onto its crown: Amanah Ikhtiar Malaysia took home the 2021 prize for the second time. Established as a trust in 1987 and operating as a microfinance institution for over three decades, the entity turned its face to the future in 2021 with the development of a new digital platform called 'Sahabat' (friend) to help market the work of microentrepreneurs and offer training and information.

Grameen Bank of Bangladesh and Palestine for Credit and Development took the second and third places.

Best Islamic Private Equity/Venture Capital Firm

Although they often fail to capture the headlines, private equity and venture capital are active elements of the Islamic finance ecosystem, especially given their primarily compliant nature, making them ideal vehicles for adventurous investment. This year, as in 2020, the award goes to Gulf Islamic Investments (GII), a well-known name in the Middle East that oversees nearly US\$2 billion in assets. With over 45 deals closed and over US\$400 million in returns and exit proceeds, its fully Shariah