Uzbekistan’s Role in Advancing Islamic Banking & Finance in the CIS

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Commonwealth of Independent States (CIS)

9 Countries | $9.4 Tn GDP (PPP)

251 Mn Population | 80M (32%) Muslim

Central Asian Islamic Finance Market Opportunity

- Current: $699 million (2024)
- Projected: $6.3 billion by 2033 (ISDB, LSEG)
- Growth Rate: 15x expansion opportunity
- Regional Infrastructure: 18 Islamic banks scattered across 5 countries

Hub Gap: No dominant regional center currently exists !

Landscape of Retail Demand for Islamic Finance in CIS

Rank	Country	Muslim %	Total Population (M)	Muslim Population (M)
1	Uzbekistan	96.5	36	34.8
2	Kazakhstan	74	19	14.1
3	Azerbaijan	97	10	9.7
4	Tajikistan	96	9.5	9.1
5	Kyrgyzstan	90	6.7	6.0
6	Turkmenistan	96.1	6.0	5.8
			TOTAL:	80 M

Source: WorldAtlas, Wikipedia

Uzbekistan - natural HUB for Islamic Finance in CIS

Demographic Dominance

Population: 35 million people - largest in Central Asia

Muslim Majority: 96% Muslim population

Market Demand: $10-15 billion estimated demand for Islamic finance products

Economic Base: 68 % SMEs surveyed would prefer Islamic Finance option

Strategic Geography

Regional Center: Borders 4 of 5 Central Asian countries

Trade Corridors: Natural transit hub connecting Europe, Asia, Middle East

Capital Position: Tashkent as established financial center

Connectivity: Optimal for serving both regional and international Islamic finance markets

Uzbekistan - natural HUB for Islamic Finance in CIS

Economic Fundamentals

Growth: 6.5% GDP growth (2024), 5.9% projected (2025)

Decent Scale: $52.3 billion banking sector assets

Investment: $4.14 Billion FDI by 3 Muslim majority countries (KSA, Turkiye, UAE)

Stability: Rather Slow but Consistent financial sector reform

Regulatory Progress

Framework Development: Comprehensive Islamic finance legislation in progress

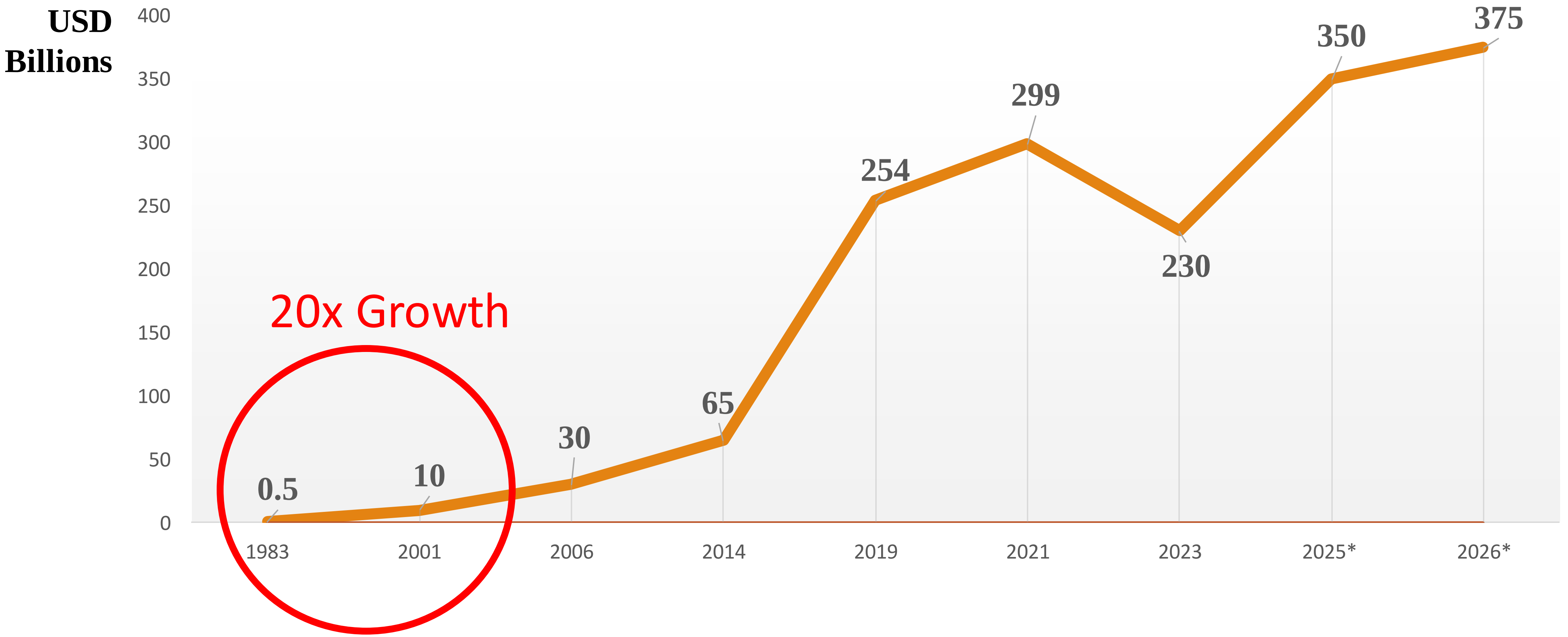
International Support: Uzbekistan is the largest recipient of ISDB Group Financings 41% in CIS

Innovation Ready: Established blockchain and cryptocurrency frameworks

Standards Setting: Uzbekistan will be benchmark case of Civil Law country in Common law dominated IF industry

Uzbekistan - CIS Islamic HUB Strategy

Malaysia's Success Story



How can Uzbekistan create $10 Billion industry … fast

1983 – Established country's first **Islamic BANK**

1993 – Allowed Conventional banks to open "Islamic Windows"

1994 – Launch of the **Islamic Interbank Money Market** (IIMM)

1997 – Formation of the **Shariah Advisory Council** by Bank Negara Malaysia

Source: IMF eLibrary

What it took Malaysia 14 years …can be adopted by Uzbekistan in 2 years

One Page Action Plan to become IF Capital of CIS

A. Achieve Regulatory Excellence:

Legal Framework: Ratify Islamic Banking Law

Shariah Governance: Establish Shariah Advisory Council by CBU

Tax Neutrality: Provide level playing field for IFIs

B. Make Infrastructure Investments:

Physical Hub: Create dedicated Centre for Islamic Finance Institutions

Educational Centers: Create recognized Islamic Finance certification programs & providers

Technology Leadership: Adopt advanced payment and settlement systems with SEA and MENAT

Thank You

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