International Journal of Applied Economics, Acounting and Management (IJAEAM)
Vol.4, No.4, 2026:339-354

Sharia Microfinance Innovation for Financial Inclusion, Microenterprise Empowerment, and Sustainable Development

Loso Judijanto
IPOSS Jakarta
Corresponding Author: Loso Judijanto losojudijantobumn@gmail.com

A R T I C L E I N F O

Keywords: Islamic Microfinance; Baitul Maal Wat Tamwil; Financial Inclusion; Islamic Fintech; Digitalization; Zakat; Waqf; Qard Hasan; Empowerment of Micro Businesses; Maqasid Al-Shariah

Received : 3 May
Revised : 20 June
Accepted: 20 July

A B S T R A C T

This article discusses Islamic microfinance as a tool for financial inclusion, empowering micro businesses, and sustainable development, with a focus on institutional innovation, products, digitalization, Islamic fintech, and the integration of Islamic social finance. Using a qualitative literature review method, the article examines reputable journal literature since 2020 and relevant institutional sources to formulate a conceptual map, challenges, and development agenda for Islamic microfinance. The study shows that Islamic microfinance has normative advantages through the prohibition of riba, gharar, and maysir, the use of asset- and profit-sharing-based contracts, as well as a social orientation through zakat, infaq, sadaqah, waqf, qard hasan, and micro-takaful. However, its effectiveness is still limited by low financial and digital literacy, limited capital and human resources in institutions, high operational costs, financing risks, governance weaknesses, regulatory fragmentation, and digital infrastructure gaps. The most relevant innovations are digitalizing service processes, utilizing fintech and alternative data for risk assessment, collaboration between Islamic banks and BMT/Islamic cooperatives, strengthening sharia governance, and hybrid financing models that combine commercial funds with Islamic social finance. The article concludes that the future of Islamic microfinance largely depends on institutions' ability to maintain a balance between sharia compliance, financial sustainability, and social impact. Further research needs to empirically test these innovation models across regions and customer groups

DOI: https://doi.org/10.59890/ijaeam.v4i4.229
E-ISSN : 3024-8078
https://mrymultitechpublisher.my.id/index.php/ijaeam/index

INTRODUCTION

Islamic microfinance has developed as a response to two related needs, namely expanding financial access for low-income groups and providing financial services that comply with Sharia principles. In many developing countries, micro-entrepreneurs face limitations in collateral, credit history, financial literacy, and access to formal institutions, so they need financing mechanisms that are closer to the community. Islamic microfinance is important because it not only provides capital but also brings principles of fairness, partnership, transparency, and social responsibility that align with the goals of inclusive development.

The urgency of this study is getting higher because financial inclusion shouldn’t just be understood as having an account or access to financing. Meaningful inclusion should be able to boost the capacity of households and micro businesses to withstand shocks, expand productive activities, and reduce dependence on high-cost informal financing. In this context, Islamic microfinance institutions like Baitul Maal wat Tamwil, Islamic cooperatives, micro units of Islamic banks, and Islamic fintech platforms have the potential to connect commercial financing with Islamic social instruments such as zakat, infaq, sadaqah, waqf, qard hasan, and micro-takaful [4], [5], [6], [7].

The growth of digitalization is expanding opportunities for Islamic microfinance transformation. Mobile apps, digital wallets, peer-to-peer financing, Islamic crowdfunding, big data, and blockchain technology can lower transaction costs, speed up financing processes, improve record-keeping, and reach customers who were previously hard to serve. However, digital innovation also brings new risks, such as gaps in digital literacy, data protection issues, moral hazard risks, potential non-compliance with Sharia, and the need for adaptive supervision of new business models. [8], [9], [10], [11], [12].

The main issue in this article is that the capabilities of Islamic microfinance institutions aren't evenly spread when it comes to combining financial sustainability, Sharia compliance, operational efficiency, and social impact. Some institutions are strong in community closeness but weak in governance, technology, and risk management. On the other hand, more digitalized institutions often struggle to maintain deep social mentoring and contract compliance. Because of this, a conceptual and theoretical study is needed to clarify the direction of Islamic microfinance innovation, keeping it grounded in maqasid al-shariah and empowerment goals [13], [14], [15].

Based on this background, this article raises two research questions. First, how can the concepts, principles, institutions, and practices of Islamic microfinance contribute to financial inclusion and the empowerment of micro enterprises? Second, what innovations are most relevant to strengthening the effectiveness, sustainability, and social impact of Islamic microfinance amid digitalization and changing community needs? The aim of this article is to explain the conceptual foundation of Islamic microfinance, analyze the challenges in its implementation, and formulate innovation directions that can enhance its contribution to financial inclusion, economic empowerment, and sustainable development [16], [17], [18], [19].

LITERATURE REVIEW

1 Basic Concept of Islamic Microfinance

Islamic microfinance can be understood as a small-scale financial service system aimed at individuals, households, and micro-entrepreneurs who are not fully served by formal financial institutions, with operations guided by Sharia principles. Its scope includes productive financing, savings, payment services, business mentoring, financial literacy, management of Islamic social funds, and risk protection through micro-takaful. The fundamental difference from conventional microfinance lies in the prohibition of riba, gharar, and maysir, as well as the emphasis on asset-based transactions, partnerships, and distributive justice values [1], [2], [7], [20].

From a theoretical perspective, Islamic microfinance is rooted in Islamic economics and the maqasid al-shariah, which prioritize the protection of religion, life, intellect, lineage, and wealth as a basis for well-being. In finance, this principle is reflected in product designs that avoid exploitation, clarify rights and obligations, share risks proportionally, and direct funding toward halal productive activities. Therefore, the success of Islamic microfinance should be assessed not only through profitability or repayment rates but also through its impact on income, business resilience, poverty reduction, and improving clients' capabilities.

The main Sharia microfinance products can be grouped into profit-sharing, buying and selling, leasing, benevolent loans, and service contracts. Mudharabah and musyarakah allow for partnerships between the institution and clients through profit sharing; murabahah is used to finance goods with an agreed-upon margin; ijarah facilitates the use of productive assets; qard hasan provides benevolent financing without commercial returns; while wakalah and kafalah support service-based offerings. The choice of contract should match the business nature, record-keeping ability, risks, and social financing goals.

Islamic microfinance also overlaps with Islamic social finance. Zakat can be directed to alleviate poverty and meet basic needs; waqf can be a source of long-term productive funds; infaq and sadaqah can strengthen solidarity funds; while qard hasan can bridge poor groups who are not yet ready for commercial financing. It's the integration of social and commercial instruments that sets Islamic microfinance apart from microfinance institutions that are only focused on credit [4], [5], [6], [24], [25].

2. Islamic Microfinance Institutions: Banks, BMT, Cooperatives, and Fintech

Islamic microfinance institutions can take the form of a sharia micro bank unit, sharia cooperatives, Baitul Maal wat Tamwil, Islamic philanthropic institutions, or sharia fintech platforms. Sharia banks have stronger capital, technology, and regulatory compliance capacities, but they often face limitations in reaching small communities intensively. On the other hand, BMTs and sharia cooperatives have close social ties with members and local communities, but they often face limitations in capital, risk management, human resource professionalism, and digital infrastructure [26], [27], [28].

BMT has a dual character as a baitul maal that manages social funds and a baitut tamwil that distributes productive financing. This character makes BMT relevant in the empowerment ecosystem because poor clients can be helped first through social instruments before moving on to commercial financing. BMT's closeness to the community also allows for a social-relation-based monitoring mechanism, although it still requires modern governance so it doesn't rely solely on personal trust [14], [18], [29].

Sharia fintech introduces a new type of institution that is more platform-based, data-driven, and digitally networked. Sharia crowdfunding platforms can connect fund owners with micro projects; peer-to-peer financing can speed up capital distribution; while mobile banking and e-wallets can make daily transactions easier for customers. However, digital institutions still need sharia oversight, consumer protection, cost transparency, data management, and clear dispute resolution mechanisms [8], [10], [25], [30], [31], [32].

3. Sharia Principles, Governance, and Sustainability

Sharia principles don't just work as a normative distinction, but also as a framework for governance. The contract has to be clear, the transaction's object must be halal and have economic value, the margin or ratio must be agreed upon, risks shouldn't be unfairly transferred, and information should be shared transparently. Good sharia governance requires having a sharia supervisory board, compliance audits, contract documentation, and educating clients so the contract isn't just seen as a formal label.

The sustainability of Islamic microfinance institutions requires a balance between social mission and financial discipline. If they become too commercial, these institutions risk drifting away from poor communities; if they focus too much on social goals without proper risk management, they risk being unsustainable. So, performance measurement should include the ratio of problematic financing, operational efficiency, growth of productive clients, quality of assistance, client satisfaction, Sharia compliance, and contribution to maqasid [15], [18], [28].

In practice, governance challenges often come from limitations in human resources capacity, less-than-optimal customer business records, weak internal audits, and inconsistent interpretations of contracts. Digitalization can help with transaction recording, financing scoring, portfolio monitoring, and more real-time reporting, but technology can't replace the need for ethics, guidance, and institutional accountability. [11], [36], [37], [38].

4. Financial Inclusion, Micro Business Empowerment, and the SDGs

The connection between Islamic microfinance and financial inclusion lies in the institution's ability to provide products that are affordable, easy to understand, aligned with religious values, and relevant to microbusiness needs. The unbanked and underbanked groups often need not only financing but also support in record-keeping, price literacy, cash management, market access, and risk protection. Islamic microfinance can become a more comprehensive inclusion tool when financial services are combined with business mentoring (Klapper, El-Zoghbi and Hess, 2021)[3], [39].

The impact of empowerment doesn’t automatically come from access to financing. Financing without education and guidance can actually increase the burden on clients, especially when their business faces shocks in demand, raw material prices, or disasters. That's why an ideal sharia microfinance model needs to combine careful feasibility assessments, contracts that match business cash flow, guidance, and social solidarity-based protection mechanisms [20], [40], [41].

Contributions to the Sustainable Development Goals can be seen in reducing poverty, decent work, local economic growth, reducing inequalities, and strengthening community resilience. However, these contributions need to be proven through measurable indicators, not just normative claims. Impact evaluation should look at changes in income, productive assets, consumption stability, women's participation, business sustainability, and households' ability to cope with crises [6], [42], [43], [44].

METHODOLOGY

This article uses a qualitative literature review method, not a systematic literature review. This method was chosen because the goal of the article is to build a conceptual and theoretical understanding of Islamic microfinance, interpret developments in the issue, and formulate an innovation agenda based on a narrative synthesis of the literature. Unlike systematic literature reviews, which require a strict search protocol, very tight inclusion-exclusion criteria, and reproducible procedures like PRISMA, qualitative literature reviews focus more on the connection of concepts, arguments, and critical interpretation of literature findings[11], [45].

The literature sources were chosen from reputable journal articles since 2020 that discuss Islamic microfinance, financial inclusion, Islamic fintech, Islamic social finance, BMT, maqasid al-shariah, sharia governance, and micro-enterprise empowerment. Institutional literature like the World Bank, OJK, and global Islamic economic reports were used sparingly to enrich the context of data and policies. The analysis was done by reading the main themes, grouping the literature into categories of concepts, practices, challenges, innovations, and impacts, and then compiling a narrative synthesis that answers the research questions [3], [46].

The validity of the study is maintained through theme triangulation between academic literature and institutional sources, selecting references relevant to the topic, and emphasizing the latest articles since 2020. The limitation of this method is that it doesn't produce statistical effect sizes and doesn't claim to cover all literature like a systematic review. However, this approach is suitable for a conceptual article aiming to clarify innovation directions, identify substantive issues, and build policy recommendations as well as further research [45], [47].

RESULTS AND DISCUSSION

1 The Role of Islamic Microfinance in the Economy

Sharia microfinance plays a role in expanding access to capital for micro-entrepreneurs who often don't meet the requirements for formal bank financing. This role is important because micro-businesses usually have a big contribution to jobs and the local economy, but they're vulnerable to a lack of working capital, limited assets, and weak financial record-keeping. With a community-based approach, Sharia microfinance institutions can understand their customers better than institutions that rely solely on formal collateral [23], [26], [39].

Economic contributions don't just come from providing financing, but also from strengthening the capacity of the customers. When financing is accompanied by training in cash management, basic record-keeping, marketing, and contract literacy, customers have a better chance of using their capital productively. In this way, sharia microfinance can shift from a fund disbursement model to a more sustainable business empowerment model [40], [41], [48], [49].

Islamic microfinance also plays a role in distributing welfare through the integration of Islamic social funds. Very poor customers can first receive consumptive assistance or qard hasan, while customers who are more prepared can be directed to productive financing based on murabahah, mudharabah, musyarakah, or ijarah. This stage is important so that commercial financing is not given to groups who actually need social protection [4], [5], [22].

Within the maqasid framework, the role of Islamic microfinance can be assessed through its ability to protect assets, strengthen family capacity, reduce vulnerability, and open up halal economic opportunities. If institutions only chase portfolio growth without guidance and customer protection, then the maqasid mission becomes weak. On the other hand, if institutions can maintain disciplined financing while expanding social impact, Islamic microfinance can become a relevant Islamic economic instrument for local development [13], [15], [17].

2. Challenges in Implementing Sharia Microfinance

The first challenge is the low level of Sharia financial literacy and digital literacy among customers. Many customers understand products based on the installment amounts and ease of withdrawal, rather than the structure of the contract, risks, rights, and obligations. This situation can lead to misunderstandings, thinking that Sharia products just replace interest with a margin, whereas the real difference lies in the contract object, clarity of transactions, and risk sharing [41], [50], [51].

The second challenge is the relatively high operational costs and financing risks. Micro clients are spread out geographically, make small transactions, and require intensive guidance. Community-based models can strengthen social closeness, but monitoring costs remain high if not supported by a good information system. Financing risks also increase when clients' business records are weak and institutions lack sufficient historical data [14], [18], [28].

The third challenge is the limitations in governance and human resources. Managers of Islamic microfinance institutions need to understand risk management, bookkeeping, marketing, technology, and Islamic commercial law. A lack of competence can lead to weak contract documentation, inconsistent reporting, and difficulties in maintaining sharia compliance. In the long run, poor governance can reduce members' trust and increase problematic financing.

The fourth challenge is about regulations and ecosystem coordination. Islamic microfinance sits at the crossroads of the financial sector, cooperatives, philanthropy, digital technology, and Sharia supervision. Fragmented regulations can make it hard for institutions to develop hybrid products that combine commercial financing with social funds. That's why a clear framework is needed concerning consumer protection, contract standards, data governance, Sharia compliance, and inter-institutional partnerships [11], [30], [46].

3. International Success Practices and Learnings

Experiences in various countries show that the success of Islamic microfinance depends on how well the model fits the local context. The qard hasan and Islamic philanthropy models can work well for poor groups who need very cheap financing, while commercial models based on murabahah or musyarakah are more suitable for businesses that already have cash flow. The main takeaway is that there's no one model that fits all types of clients [16], [21], [40].

In Indonesia, the strength of BMTs and Islamic cooperatives lies in their social networks, closeness to the community, and ability to combine social activities with productive financing. However, the success of these institutions varies greatly depending on the quality of management, governance, technological support, and partnership networks. For this reason, strengthening BMTs is not just about adding capital, but also about standardizing accounting, certifying managers, conducting Sharia audits, embracing digital transformation, and collaborating with Islamic banks [14], [26], [27], [28].

Praktik di Malaysia dan beberapa negara lain memperlihatkan bahwa dukungan kebijakan, infrastruktur digital, literasi keuangan, dan ekosistem halal dapat memperkuat keuangan mikro syariah. Produk pembiayaan mikro akan lebih efektif ketika dikaitkan dengan pelatihan kewirausahaan, akses pasar, pembinaan sertifikasi halal, dan penggunaan pembayaran digital. Dengan cara ini, nasabah tidak hanya memperoleh dana, tetapi juga masuk ke jaringan ekonomi yang lebih luas [31], [37], [52].

Another important takeaway is the need to separate social functions, commercial functions, and support functions without breaking their integration. Zakat and charity funds are better used for basic needs and recovery; productive waqf can become a source of long-term low-cost financing; while commercial funds can be directed to economically viable ventures. This kind of grouping helps institutions avoid mixing risks and clarifies accountability to donors, investors, regulators, and customers.

4 Sharia Microfinance Innovation

a. Digitization of Customer Services and Data

Digitization of services is a fundamental innovation because it can reduce administrative costs, speed up the application process, improve records, and expand the reach of institutions. Islamic micro-institutions can use simple applications for member registration, deposit recording, installment monitoring, contract education, and portfolio reporting. Digital recording can also help institutions understand customer transaction patterns so that financing feasibility assessments are more data-based[9], [36], [54].

However, digitalization must be accompanied by an inclusion strategy. Micro customers who are not familiar with the application need step-by-step assistance, a simple interface, local language, and a hybrid service option between digital and face-to-face. If digitalization is carried out in a hurry, institutions can actually widen the exclusion for elderly customers, women with limited access to gadgets, and people in areas with low connectivity [3], [51], [55].

b. Sharia Fintech, Crowdfunding, and Peer-to-Peer Financing

Fintech Sharia opens opportunities to bring together fund owners, micro-institutions, and business actors through digital platforms. *Crowdfunding* Sharia can fund micro-projects based on wakalah, musyarakah, or mudharabah contracts, while *Peer-to-peer financing* can expand access to capital through faster processes. For micro-institutions, partnerships with *Fintech* can expand sources of funds and reduce internal capital constraints [8], [25], [31], [32], [37].

Risks *Fintech* Sharia needs to be managed seriously. These risks include data misuse, overfinancing, unethical billing, non-transparent cost information, and potential contract inconsistency with operational practices. Therefore, innovation *Fintech* must be equipped with sharia supervision, information disclosure standards, payability assessments, complaint mechanisms, and digital literacy of customers [10], [11], [30], [32], [38].

c. Integration of Islamic Social Finance and Productive Finance

The most distinctive innovation in Islamic microfinance is the integration of Islamic social finance with productive financing. Zakat funds can help the mustahik group to pass the subsistence stage; Qard Hasan can be a transition financing; productive waqf can strengthen the base of cheap funds; Meanwhile, commercial financing can be provided after the business reaches a certain capacity. This gradual model is more in line with the reality of poverty because not all poor groups are ready to receive payment obligation-based financing directly [4], [22], [24].

The integration can also strengthen customer resilience. When shocks such as illness, disaster, or declining demand occur, social funds and micro-takaful can prevent customers from falling into informal debt. Thus, risk protection is an important component so that productive financing does not turn into a new source of vulnerability [6], [7], [20], [53].

c. Ecosystem Collaboration Model

Islamic microfinance cannot develop optimally when working alone. Collaboration between Islamic banks, BMT, sharia cooperatives, zakat institutions, waqf nadzir, *fintech,* local governments, universities, and business communities. Islamic banks can provide wholesale financing and technology systems; BMT can provide local assistance; zakat and waqf institutions can provide social funds; *Fintech* can provide a digital platform; Meanwhile, universities can support research, training, and impact evaluation [5], [27], [52].
Ecosystem collaboration is also the answer to the second research question regarding the most relevant innovations. Innovation should not only be understood as a digital application, but as a comprehensive improvement in business models, governance, funding sources, products, mentoring, and impact measurement. Thus, digitalization becomes a tool, while the ultimate goal remains economic empowerment, justice, and welfare [15], [17], [19], [54].

5. Synthesis of Discussion of Research Questions

The answer to the first research question shows that Islamic microfinance contributes to financial inclusion through three pathways. The first path is the provision of sharia-compliant financing for groups that are uncomfortable or unable to access conventional financing. The second path is a community approach that brings services closer to micro business actors. The third path is the integration of Islamic social funds that allows institutions to distinguish between the need for social protection and the need for productive financing [1], [5], [26].

The answer to the second research question confirms that the most relevant innovation is hybrid innovation that combines digital technology, sharia governance, needs-based financing, and business mentoring. Digitalization without assistance can speed up the process, but it is not necessarily empowering. Conversely, mentoring without technology can be expensive and difficult to scale. Therefore, the most powerful model is one that combines digital efficiency with the social depth of community-based institutions [8], [11], [36].

The purpose of the article to formulate the direction of the development of Islamic microfinance can be answered through five agendas. First, strengthening sharia financial literacy and customer digital literacy. Second, improving governance, sharia audits, and institutional risk management. Third, developing products that are in accordance with the micro business life cycle. Fourth, integrating zakat, waqf, qard hasan, and micro-takaful with productive financing. Fifth, building a collaborative ecosystem between micro institutions, Islamic banks, *fintech,* regulators, and the business community. [6], [7], [10], [15].

CONCLUSIONS AND RECOMMENDATIONS

Islamic microfinance is an important instrument for expanding financial inclusion and micro business empowerment, especially for groups that have not been adequately served by formal financial institutions. Its main strength lies in the combination of financing services, sharia principles, community proximity, and social orientation. With the right design, Islamic microfinance can help micro business actors obtain capital, improve business capacity, and reduce dependence on informal financing.

This study shows that the contribution of Islamic microfinance should not be assessed only by the amount of financing or customer growth. More substantive impacts lie in increasing revenue, business sustainability, household resilience, financial literacy, and customers' ability to face risk. Therefore, Islamic microfinance institutions need to strengthen the functions of mentoring, education, and risk protection so that financing truly becomes a tool of empowerment.

The main challenges faced include low Islamic and digital financial literacy, limited capital, high operational costs, financing risks, weak governance, regulatory fragmentation, and inequality in digital infrastructure. These challenges cannot be solved with a single approach. An integrated strategy is needed that strengthens institutional capacity, consumer protection, contract standardization, sharia supervision, and inclusive use of technology.

Islamic microfinance innovation needs to be directed towards a hybrid model that combines digitalization, *Islamic fintech*, contract-based financing, Islamic social finance, micro-takaful, and ecosystem collaboration. Digitalization should be placed as a means to improve efficiency and reach, not as a substitute for social relationships and mentoring. The integration of zakat, waqf, *qard hasan*, and commercial financing can create a gradual empowerment path according to customer conditions.

The future research suggestion is to conduct a cross-regional empirical study to test the effectiveness of the sharia microfinance hybrid model on income, business sustainability, and household resilience. The next research also needs to develop maqasid-based performance indicators that can measure the success of institutions more comprehensively. In addition, research on digital risk, data protection, fintech sharia compliance , and social-commercial fund integration is still needed to strengthen the basis of Islamic microfinance development policies.

FURTHER STUDY

This research still has limitations, so further studies are needed on the topic of Sharia Microfinance Innovation for Financial Inclusion, Microenterprise Empowerment, and Sustainable Development to improve this research and provide more insight for the writer and readers.

REFERENCES

A. A. Shinkafi, S. Yahaya, and T. A. Sani, "Realising financial inclusion in Islamic finance," J. Islam. Mark., vol. 11, no. 1, pp. 143–160, May 2019, doi: 10.1108/JIMA-02-2017-0020.

A. Demirgüç-, L. Klapper, D. Singer, and S. Ansar, The Global Findex Database 2021. The World Bank, 2022. doi: 10.1596/978-1-4648-1897-4.

A. Elzahi Saaid Ali, "Islamic Microfinance: Moving Beyond the Financial Inclusion," in Empowering the Poor through Financial and Social Inclusion in Africa, Cham: Springer International Publishing, 2022, pp. 11–24. doi: 10.1007/978-3-031-00925-9_2.

A. Ginanjar and S. H. Kassim, "Roles of Islamic Microfinance Institutions in Improving Financial Inclusion in Indonesia: Empirical Evidence from Baitulmaal wa Tamwil," Al-Iqtishad J. Economics. Sharia, vol. 13, no. 1, pp. 87–108, Jun. 2021, doi: 10.15408/aiq.v13i1.19842.

A. Jan, M. Marimuthu, M. P. bin Mohd, and M. Isa, "Sustainability Practices and Banks Financial Performance: A Conceptual Review from the Islamic Banking Industry in Malaysia," Int. J. Bus. Great., vol. 13, no. 11, p. 61, Oct. 2018, doi: 10.5539/ijbm.v13n11p61.

A. Jaya, R. Muin, A. I. Haanurat, and A. Khaliq, "The Role of Zakat in Poverty Reduction in Indonesia," An-Nibh J. Ekon. Islam, vol. 6, no. 2, pp. 73–80, 2023, [Online]. Available: https://journal.unismuh.ac.id/index.php/ar-ribh/article/view/12813/6479

A. Khan, M. K. Hassan, A. Paltrinieri, A. Dreassi, and S. Bahoo, "A bibliometric review of takaful literature," Int. Rev. Econ. Finance., vol. 69, pp. 389–405, Sep. 2020, doi: 10.1016/j.iref.2020.05.013.

A. M. R. Aderemi and M. S. I. Ishak, "Qard Hasan as a feasible Islamic financial instrument for crowdfunding: its potential and possible application for financing micro-enterprises in Malaysia," Qual. Res. Finance. Mark., vol. 15, no. 1, pp. 58–76, Jan. 2023, doi: 10.1108/QRFM-08-2021-0145.

A. M. Radiamoda, "The Need for Micro or Takaful in Islamic Insurance Partnerships in the Philippines," ICONOGRAPHY, vol. 10, no. 1, p. 41, Apr. 2025, doi: 10.24042/ijebi.v10i1.26527.

A. Mansyur and A. F. Isman, "Developing Islamic Social Entrepreneurship Through Crowdfunding Waqf Model," Al Mashrafiyah J. Ekon. Finance, and Banking. Sharia, vol. 8, no. 1, pp. 85–103, 2024, doi: https://doi.org/10.24252/al-mashrafiyah.v8i1.47574.

A. Nurasyiah, "An Empirical Study of Islamic Microfinance Performance for Poor Families: Maqahid al Sharia Perspective," AIFER AFEBI Islam. Finance. Econ. Rev., vol. 3, no. 1, pp. 46–62, 2018, [Online]. Available: https://distantreader.org/stacks/journals/aifer/aifer-253.pdf

Arzam, M. Fauzi, F. Efendi, and W. Sulastri, "Islamic Crowdfunding: A Review Literature," RIEF Rev. Islam. Econ. Finance., vol. 6, no. 2, pp. 171–186, 2023, [Online]. Available: https://ejournal.upi.edu/index.php/rief/article/download/62827/25225?__cf_chl_tk=gvxtnzJjbheTQ3gYLTtQNmnLJHqv4kBNL1jfSg7TO78-1784044866-1.0.1.1-PAZxHwhQHioyLr0oxJfEdqVqoHtc7ncFL0tifj4_Qyk

B. A. Baloch and A. Chimenya, "Ethical Dimensions of Islamic Finance and Their Relevance in Contemporary Business Practices," Int. J. Islam. Bank. Finance. Res., vol. 11, no. 2, pp. 32–39, Nov. 2023, doi: 10.46281/ijibfr.v11i2.2125.

B. A. Fianto, H. Maulida, and N. Laila, "Determining factors of non-performing financing in Islamic microfinance institutions," Hell, vol. 5, no. 8, p. e02301, Aug. 2019, doi: 10.1016/j.heliyon.2019.e02301.

C. Chen, S. Pal, M. K. Mahalik, and G. Gozgor, "The impact of financial inclusion on sustainable development: Evidence from BICS economies," Res. Int. Bus. Finance., vol. 82, p. 103224, Feb. 2026, doi: 10.1016/j.ribaf.2025.103224.

C. Johnen, M. Parlasca, and O. Mußhoff, "Promises and pitfalls of digital credit: Empirical evidence from Kenya," PLoS One, vol. 16, no. 7, p. e0255215, Jul. 2021, doi: 10.1371/journal.pone.0255215.

D. A. Mi'raj and S. Ulev, "A bibliometric review of Islamic economics and finance bibliometric papers: an overview of the future of Islamic economics and finance," Qual. Res. Finance. Mark., vol. 16, no. 5, pp. 993–1035, Nov. 2024, doi: 10.1108/QRFM-03-2023-0068.

D. Fatmawati, N. M. Ariffin, N. H. Z. Abidin, and A. Z. Osman, Shariah governance in Islamic banks: Practices, practitioners and praxis, vol. 51, no. July. 2022. doi: 10.1016/j.gfj.2020.100555.

F. A. Kamil, M. M. Said, D. Saharuddin, and N. Hidayah, "When Zakat is Not Enough: Designing an Islamic Blended Microfinance Model for Asnaf Entrepreneurship," IJAZ Int. J. Zakat, vol. 11, no. 1, pp. 84–100, 2026, doi: https://doi.org/10.37706/ijaz.v11i1.795.

F. Menne, B. Surya, M. Yusuf, S. Suriani, M. Ruslan, and I. Iskandar, "Optimizing the Financial Performance of SMEs Based on Sharia Economy: Perspective of Economic Business Sustainability and Open Innovation," J. Open Innov. Technol. Mark. Complex., vol. 8, no. 1, p. 18, Mar. 2022, doi: 10.3390/joitmc8010018.

H. A. Mohamed and T. Otake, "The role of Islamic FinTech in digital financial inclusion and sustainable development post covid-19: cross-country analysis," Int. J. Islam. Middle East. Finance. Great., vol. 18, no. 3, pp. 649–671, Apr. 2025, doi: 10.1108/IMEFM-02-2024-0100.

H. Baber, "Financial inclusion and FinTech," Qual. Res. Finance. Mark., vol. 12, no. 1, pp. 24–42, Nov. 2019, doi: 10.1108/QRFM-12-2018-0131.

H. R. Wijaya, S. R. H. Hati, I. A. Ekaputra, and S. Kassim, "The impact of religiosity and financial literacy on financial management behavior and well-being among Indonesian Muslims," Humanit. Soc. Sci. Commune., vol. 11, no. 1, p. 830, Jun. 2024, doi: 10.1057/s41599-024-03309-6.

I. Mabrur and A. Agustina, "The Application of Blockchain Technology and Smart Contracts in Sharia Fintech: Opportunities and Challenges," Indo-Fintech Intellectuals J. Econ. Bus., vol. 5, no. 4, pp. 7342–7360, Nov. 2025, doi: 10.54373/ifijeb.v5i4.4409.

I. Widiarto and A. Emrouznejad, "Social and financial efficiency of Islamic microfinance institutions: A Data Envelopment Analysis application," Socioecocon. Plan. Sci., vol. 50, pp. 1–17, Jun. 2015, doi: 10.1016/j.seps.2014.12.001.

K. A. Dirie, M. M. Alam, and S. Maamor, "Islamic social finance for achieving sustainable development goals: a systematic literature review and future research agenda," Int. J. Ethics Syst., vol. 40, no. 4, pp. 676–698, Dec. 2024, doi: 10.1108/IJOES-12-2022-0317.

Khoirudin and Juliana, "Digitalization of Islamic Microfinance Institutions: Opportunities, Challenges, and Economic Implications for the Muslim Community," IZZI J. Ekon. Islam, vol. 5, no. 2, pp. 42–52, 2025, [Online]. Available: https://jurnalstebibama.ac.id/index.php/jizzi/article/download/8/22

M. A. Bin Mohd Thas Thaker, A. Bin Allah Pitchay, H. Bin Mohd Thas Thaker, and M. F. Bin Amin, "Factors influencing consumers' adoption of Islamic mobile banking services in Malaysia," J. Islam. Mark., vol. 10, no. 4, pp. 1037–1056, Nov. 2019, doi: 10.1108/JIMA-04-2018-0065.

M. Akram Laldin and H. Furqani, "Developing Islamic finance in the framework of maqasid al-Shari'ah," Int. J. Islam. Middle East. Finance. Great., vol. 6, no. 4, pp. 278–289, Nov. 2013, doi: 10.1108/IMEFM-05-2013-0057.

M. Asutay and I. Yilmaz, "Constituting an Islamic social welfare function: an exploration through Islamic moral economy," Int. J. Islam. Middle East. Finance. Great., vol. 14, no. 3, pp. 524–540, Jun. 2021, doi: 10.1108/IMEFM-03-2019-0130.

M. D. Jatnika, D. Friantoro, M. Muhammad, I. Iskandar, and L. U. R. L. Alikhan, "Intention to Use Islamic Fintech among MSMEs: Knowledge of Sharia Prohibition Approach," J. Manaj. Bung Hatta University, vol. 19, no. 1, pp. 104–119, Feb. 2024, doi: 10.37301/jmubh.v19i1.24443.

M. H. Wasim and M. B. Zafar, "Shariah governance and Islamic banks: a systematic literature review," J. Islam. Account. Bus. Res., no. July, Jul. 2024, doi: 10.1108/JIABR-11-2023-0386.

M. I. Ab Razak and N. A. Mohd Dali, "The Key Challenges of Islamic Fintech Implementation in Malaysia," J. Cent. Bank. Law Institutions, vol. 5, no. 1, pp. 153–174, Jan. 2026, doi: 10.21098/jcli.v5i1.270.

M. I. S. Mihajat, "Shari'ah Governance Framework in Islamic Banking and Financial Institutions in Indonesia: A Proposed Structure," in Research in Corporate and Shari'ah Governance in the Muslim World: Theory and Practice, Emerald Publishing Limited, 2019, pp. 239–248. doi: 10.1108/978-1-78973-007-420191021.

M. K. Anwar, A. A. Ridlwan, and W. N. R. Laili, "The Role of Baitul Maal wat Tamwil in Empowering Msmes in Indonesia: a Study of Indonesian Islamic Microfinance Institutions," Int. J. Prof. Bus. Rev., vol. 8, no. 4, p. e0913, Apr. 2023, doi: 10.26668/businessreview/2023.v8i4.913.

M. K. Hassan, A. Muneeza, and R. Hasan, Islamic Finance and Sustainable Development, 1st ed. Cambridge University Press, 2025. doi: 10.1017/9781009464963.

M. K. Hassan, M. R. Rabbani, and M. A. M. Ali, "Challenges for the Islamic Finance and Banking in Post Covid Era and the Role of Fintech," J. Econ. Co-op. Dev., vol. 41, no. 3, pp. 93–116, 2020, [Online]. Available: https://www.researchgate.net/publication/349138882_Challenges_for_the_Islamic_Finance_and_banking_in_post_COVID_era_and_the_role_of_Fintech

M. K. Hassan, S. Aliyu, A. Paltrinieri, and A. Khan, "A Review of Islamic Investment Literature," Econ. Pap. A J. Appl. Econ. Stuart T, vol. 38, no. 4, pp. 345–380, Dec. 2019, doi: 10.1111/1759-3441.12230.

M. M. Alshater, M. K. Hassan, M. Rashid, and R. Hasan, "A bibliometric review of the Waqf literature," Eurasian Econ. Rev., vol. 12, no. 2, pp. 213–239, Jun. 2022, doi: 10.1007/s40822-021-00183-4.

M. Nuhic-Meskovic, M. K. Hassan, and A. Meskovic, "Islamic FinTech: a systematic literature review of trends and research gaps," J. Islam. Mark., pp. 1–33, Mar. 2026, doi: 10.1108/JIMA-10-2025-0662.

Mahfuz, M. Asmawi, and N. Khairiyah, "Beyond Financial Metrics: A Systematic Review of Maqasid Based Performance Measurement in Islamic Banking," SEMBJ Sharia Econ. Great. Bus. J., vol. 7, no. 2, pp. 77–86, 2026, doi: 10.62159/sembj.v7i2.2111.

Mustafa, S. Khan, and Eleftherios, "FinTech, Blockchain and Islamic Finance: An Extensive Literature Review," Int. J. Econ. Bus. Adm., vol. VIII, no. Issue 2, pp. 65–86, Apr. 2020, doi: 10.35808/ijeba/444.

N. H. Hadi, S. Herianingrum, A. Prasetyo, A. Shofawati, and M. Ghamri, "Corporate Social Responsibility and Islamic Microfinance Integration for Productive Waqf in Indonesia: A Conceptual Study," ZISWAF J. Zakat and Waqf, vol. 12, no. 1, p. 16, Jun. 2025, doi: 10.21043/ziswaf.v12i1.27397.

N. M. Mahsyar, S. N. Ali, and M. Idris, "Does Islamic Microfinance Affect the Reduction of Poverty Post the Covid-19 in Parepare?," JIEI J. Ilm. Ekon. Islam, vol. 9, no. 1, pp. 508–515, 2023, [Online]. Available: https://jurnal.stie-aas.ac.id/index.php/jei/article/download/7201/3336

N. S. Rahayu, "Bridging the Financial Gap: Baitul Maal Wat Tamwil (BMT) as a Medium for Women's Empowerment and Financial Inclusion," Proc. ICIEB Int. Conf. Islam. Econ. Bus., vol. 3, no. 1, pp. 1–11, 2024, doi: https://doi.org/10.14421/icieb.2024.3.1.1470.

O. A. Kachkar, "Towards the establishment of cash waqf microfinance fund for refugees," ISRA Int. J. Islam. Finance., vol. 9, no. 1, pp. 81–86, Jul. 2017, doi: 10.1108/IJIF-07-2017-007.

OJK and BPS, "National Survey of Financial Literacy and Inclusion in 2025," Jakarta, 2025. [Online]. Available: https://ojk.go.id/id/Fungsi-Utama/Perilaku-Pelaku-Usaha-Jasa-Keuangan/SNLIK/Documents/Buku Statistics of the National Survey on Financial Literacy and Inclusion %28SNLIK%29 Year 2025.pdf

Q. Dawami, "Factors Determining the Succesful Performance of Baitul Maal wat Tamwil in Indonesia: An Empirical Investigation," Int. J. Islam. Econ. Finance., vol. 4, no. 1, Jan. 2021, doi: 10.18196/ijief.v4i1.10484.

R. M. Mahera, M. Ilham, and M. Albahi, "Islamic Financial Inclusions and the Empowerment of Micro Enterprises in Remote Regions," El-Kahfi | J. Islam. Econ., vol. 6, no. 1, pp. 183–196, 2025, doi: https://doi.org/10.58958/elkahfi.v6i01.491.

R. Rosman, N. H. Redzuan, N. Z. Norita, E. R. A. E. A. Mokhtar, M. Omar, and Mohammed, ""Islamic social finance and sustainable development goals: issues and challenges," J. Islam. Finance., vol. 11, no. 2, pp. 56–67, 2022, [Online]. Available: https://elibrary.ru/item.asp?id=81208314

R. Widagdo, S. Rokhlinasari, and W. Wartoyo, "Islamic fintech, financial inclusion, and MSME sustainability: Evidence from a mixed-method study in Indonesia's digital economy," J. Islam. Econ. Lariba, vol. 12, no. 1, pp. 313–336, Feb. 2026, doi: 10.20885/jielariba.vol12.iss1.art11.

Riduwan, Amrullah, G. Danupranata, and R. Wahyudi, "Microfinancing, Preference and Loyalty Analysis: A Study of Islamic Microfinance Institutions in Indonesia," J. Islam. Econ. Bus. Res., vol. 4, no. 2, pp. 248–263, Dec. 2024, doi: 10.18196/jiebr.v4i2.366.

S. Magar, D. K. Basyal, P. Lawaju, U. R. Paudel, and D. K. Poudel, "Determinants of Microfinance Adoption, Challenges Encountered, and Principal Solutions: An Empirical Analysis Using Theory of Planned Behavior," Interdisciplinary. J. Innov. Nepal. Acad., vol. 2, no. 2, pp. 113–128, Nov. 2023, doi: 10.3126/idjina.v2i2.59489.

S. Sembiring and A. Muhajir, "The Role Of Accounting And Auditing Organization For Islamic Financial Institutions (AAOIFI) In Sharia Statement Of Fiancial Accounting Standards (PSAK)," Int. J. Humanit. Educ. Soc. Sci., vol. 3, no. 4, Feb. 2024, doi: 10.55227/ijhess.v3i4.924.

T. Zitouni and K. Ben Jedidia, "Does Islamic microfinance contribute to economic empowerment in Tunisia?: a case study of Zitouna Tamkeen," J. Bus. Socio-economic Dev., vol. 2, no. 1, pp. 67–81, Apr. 2022, doi: 10.1108/JBSED-10-2021-0143.