

# VALUE-BASED INTERMEDIATION FOR TAKAFUL

JC3 Flagship Conference

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Joint Committee  
on Climate Change





Why sustainability is  
critical in Takaful

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What is Value Based  
Intermediation for Takaful  
(VBI for Takaful)



How VBI for Takaful is  
able to address  
sustainability in Takaful

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What are the practical  
challenges faced and  
how can this be  
addressed

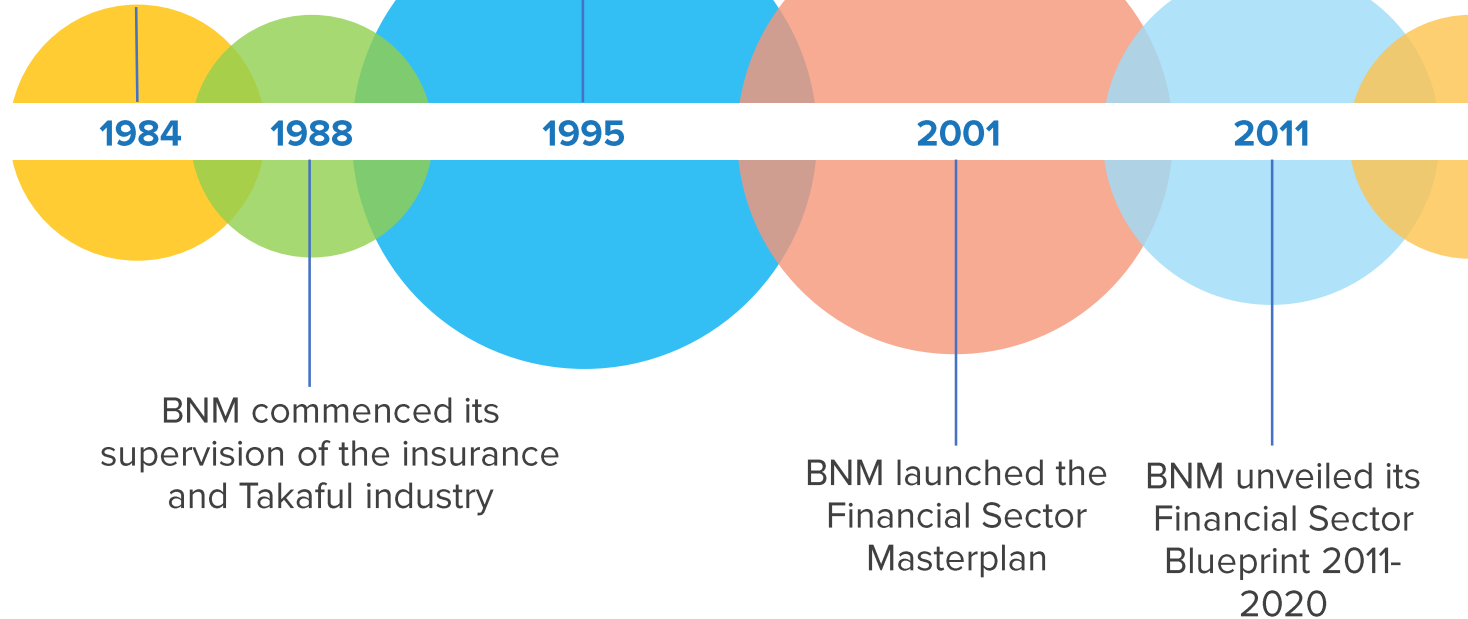


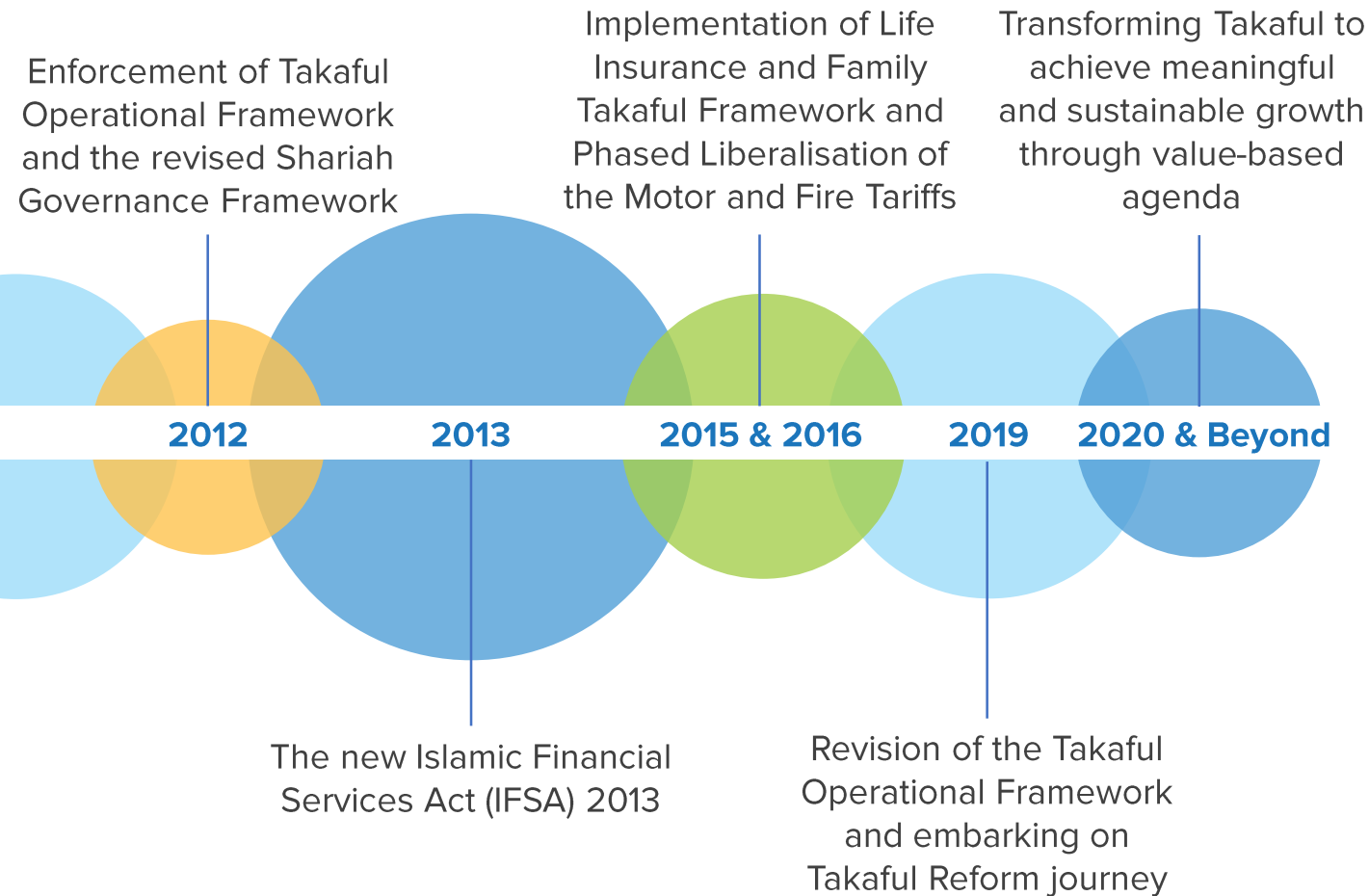
# AGENDA

# TAKAFUL Since 1984

Takaful Act 1984 was enacted to govern the conduct of Takaful business and the establishment of Shariah Committees

Set-up ASEAN Takaful Group





## Features

- Shariah compliant
- Mutual benefit of the Participants through risk and profit sharing
- Transparency

CAGR of 11% past 5 years

Growth spurred by increasing demand for shariah compliant solutions

# PERSISTENT BARRIERS

Low takaful penetration  
16.9%



TOs yet to achieve critical mass and financial sustainability

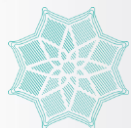


Current products not meeting the needs of intended segment

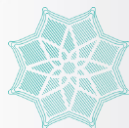


Low awareness on the need & importance of protection and low financial literacy

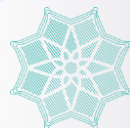
# WHY SUSTAINABILITY IS CRITICAL IN TAKAFUL



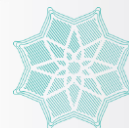
Takaful core values are driven by Maqasid Shariah



Sustainability objectives are aligned with Takaful



Embracing and highlighting sustainability



Push Takaful beyond current penetration limits



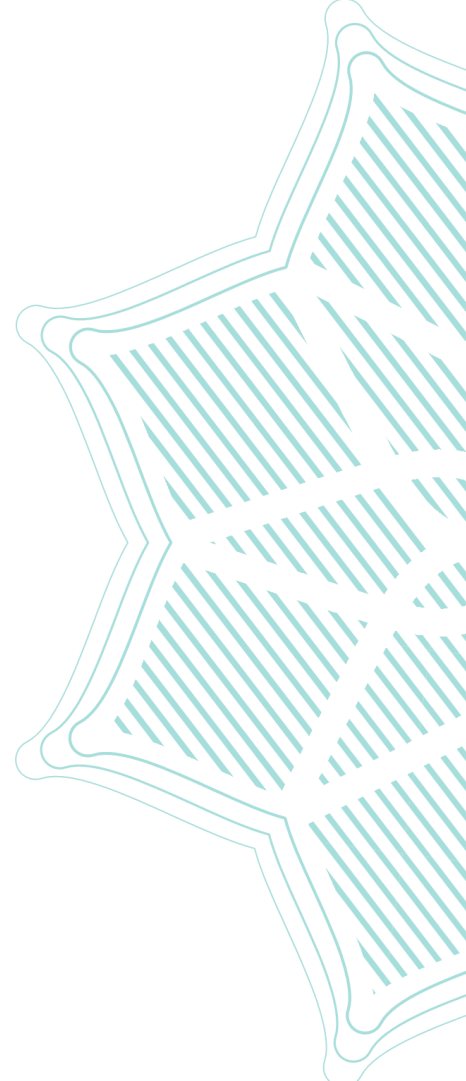
Embracing Maqasid Shariah and sustainability

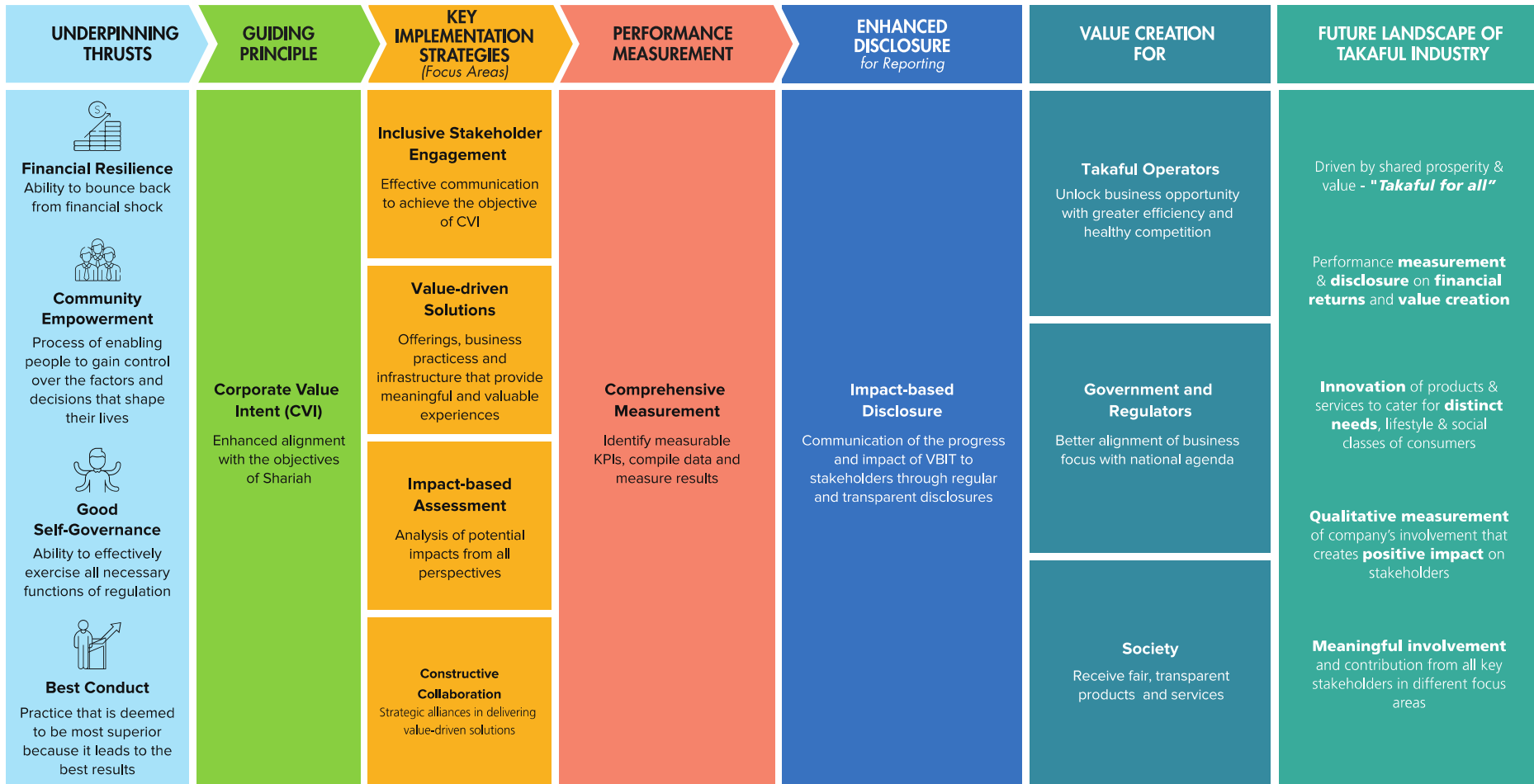
# WHAT IS VALUE-BASED INTERMEDIATION FOR TAKAFUL (VBI FOR TAKAFUL)

Reflects the industry's aspiration to elevate Takaful to the next level by transforming the industry towards achieving meaningful sustainable growth.

A framework to guide the industry in the implementation of value-driven/ value-based agenda.

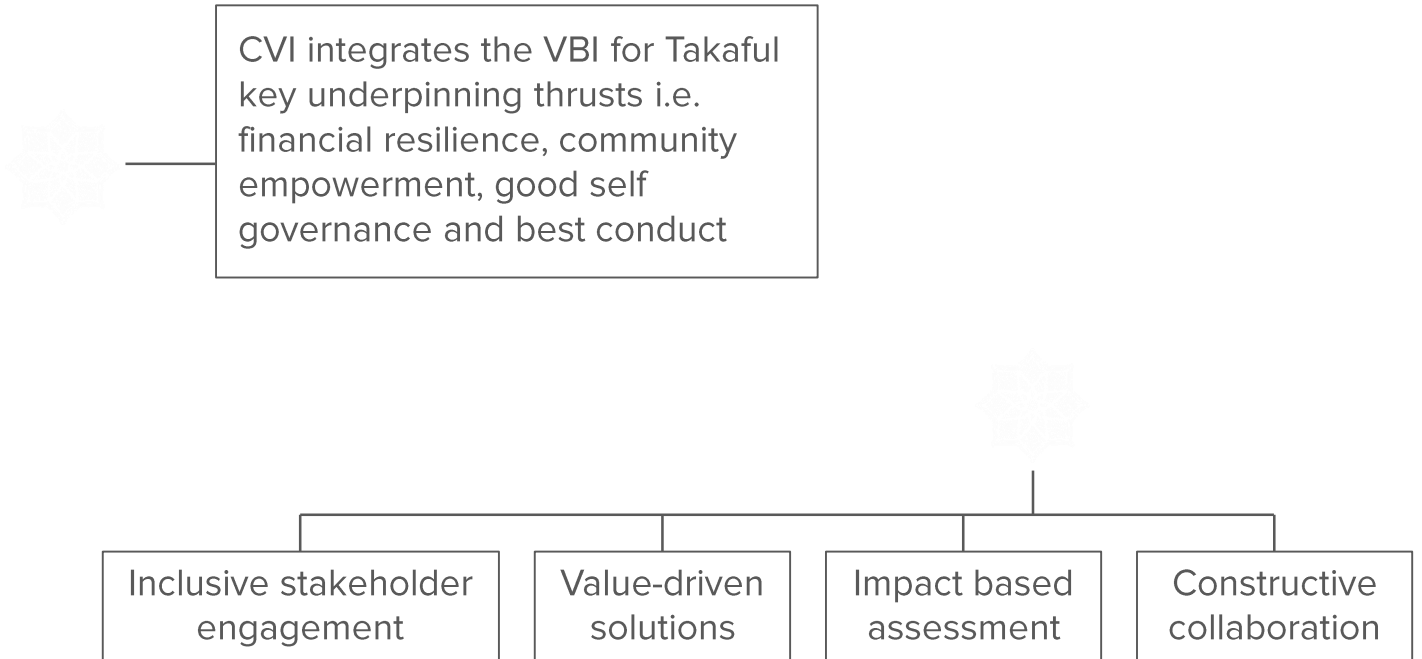
Objective to deliver positive socio-economic impact whilst sustaining positive financial returns.







# HOW VBI FOR TAKAFUL IS ABLE TO ADDRESS SUSTAINABILITY IN TAKAFUL



# HOW VBI FOR TAKAFUL IS ABLE TO ADDRESS SUSTAINABILITY IN TAKAFUL



Intended outcomes to assess the progress and effectiveness of TO's VBI for Takaful initiatives

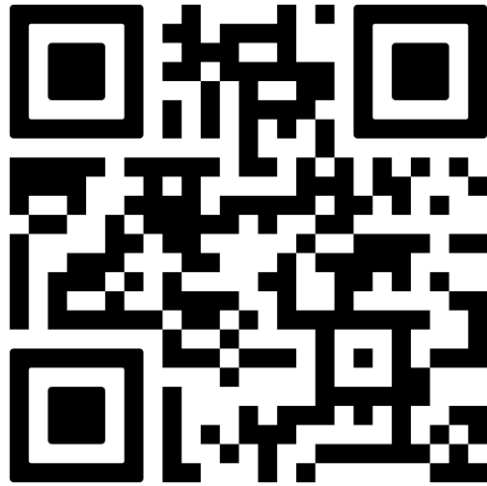
To demonstrate TO's accountability and commitment in delivering sustainable values



# WHAT ARE THE IDENTIFIED CHALLENGES FACED AND HOW CAN THIS BE ADDRESSED



For more information, please visit:  
[www.vbitakaful.com](http://www.vbitakaful.com)



VALUE-BASED  
INTERMEDIATION  
**FOR TAKAFUL**  
FRAMEWORK

