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PROPOSAL FOR THE ESTABLISHMENT OF AN ISLAMIC (INTERNATIONAL) HOLDING COMPANY FOR RE-TAKAFUL (INSURANCE) ((SOVEREIGN INVESTMENT FUND))

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ABSTRACT

With the increasing risk ratios that Islamic insurance companies with limited means seek to address, the need for an Islamic reinsurance holding company is becoming increasingly important as Islamic reinsurance attempts in Malaysia, Dubai, Kuwait and elsewhere are increasing⁵ and with the paper aims to discuss the project of establishing an Islamic reinsurance company through the growing and spread of insurance industry based on principles

There will undoubtedly be a great opening and development after the Islamic reinsurance industry comes into being and the unique contract rings in the comprehensive and complete Islamic finance system with a new date for the development of financial markets and the Islamic Sukuk industry on the way, provide a strong and capable boost in the form of a sublimation in which the group of Islamic countries and then the Islamic Development Bank Foundation and then come all the emerging reinsurance companies and of course all the insurance companies spread in Which is more widespread in each country after the number of more than 200 companies and the proposal provides the opportunity for other companies in all countries, even companies that arose in the framework of traditional companies such as Russia and China, emphasizing the neutrality of Islamic insurance services and the possibility of application in the Nations and non-Muslim communities also flew.

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INTRODUCTION

The emergence of Islamic insurance companies since the seventies of the last century played an important role in the direction of completion of the Islamic finance rings, which emerged with the Islamic banks and spread day by day Islamic insurance is an Islamic insurance concept based on Islamic banking transactions in accordance with the rules and principles of Islamic law. The Muslim jurists have explained that the basis of Takaful was established more than 1,400 years ago and Morse in Mecca and Medina Islamic insurance is an agreement between persons who are exposed to specific risks in order to overcome the damages caused by a fund in which joint creations are based on the basis of the donation.

And then spread the Islamic insurance companies in many Islamic countries and others to provide insurance services to Islamic banks and with the increasing work of these nascent companies and their development initially went to work in re-insurance of various businesses of traditional reinsurers to meet the requirements and controls and requirements of the insurance industry Later, some companies in Islamic countries

sought to establish Islamic reinsurance companies in Malaysia, the United Arab Emirates and others.

The reinsurance industry has become a paramount necessity to rely on traditional reinsurance companies' systems through the development, spread and increasing growth of Islamic insurance operations worldwide.

Reinsurance operations are technical operations under which a direct insurer insures part of the risks that he has secured to another insurer for fear of being unable to cover their insurance. Therefore, reinsurance operations are currently carried out through traditional commercial reinsurance companies according to the concept of necessity and need. Especially in the systems and methods of the difficulty of holding Islamic insurance companies any cash reserves for the risks in the hands of conventional insurance companies, which entails the payment of interest interest, which led the supervisory bodies to guide Islamic insurance companies to minimize the deal with the lowest As possible and this is difficult to achieve in light of the growing dangers so we must work hard for the body to meet the clutch re-Islamic insurance

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in accordance with the requirements of the design of the legitimate facets.

With the increasing risk ratios that Islamic insurance companies with limited capabilities are seeking to address, the need for an Islamic reinsurance holding company is becoming increasingly important as Islamic reinsurance attempts in Malaysia, Dubai, Kuwait and elsewhere are increasing.

The success of Islamic banks and existing Islamic insurance companies is encouraging investors to establish new Islamic insurance companies to keep pace with this awakening. The adoption by Gulf governments of mandatory health insurance policies for citizens and residents will push the sector to achieve further growth in the coming period. Correct many of the misconceptions about the idea of Takaful insurance on life because it is one of the types of solidarity among the members of the community, a banking expert reported that the financial reports issued by tax institutions recently expect a rise in the size of the takaful industry Especially in the Gulf region, where reports indicate the growth of the Takaful sector at an annual rate of 20 percent in recent years, the Takaful insurance industry shows the universality of Islam and the accuracy of its legislation and reality, and that not only the rituals of worship but also all aspects of human life on And the need to deal with cooperative insurance through legitimate methods away from circumvention, and support previous efforts in the areas of research in cooperative insurance and review the professional and economic status of the industry.

The importance of the subject

Many of the requirements at this stage highlight, in particular, the importance of mobilizing support for the implementation of this project, which will have multiple implications at the level of existing Islamic insurance companies and reinsurers who interact daily with the importance of providing these services on a large scale. After a day of Islamic insurance companies in all parts of the globe, especially the fulfillment of countries in many non-Islamic countries with the public and official attention to this ongoing revolution There is no doubt that this project will not cancel the dealings with conventional reinsurance companies, but rather motivate them to work to provide reinsurance services according to the requirements of this industry through the Islamic controls known and approved.

In accordance with the reality of the Islamic finance services as a whole is not exclusive to Muslims alone, especially in the total institutions working with full neutrality and absolute transparency in the realization of the meanings of the Islamic religion, which provides a suitable space for dealing with others.

Perhaps the methods of the subject are so clear and alert all the various actors to enforce these requirements All of this has been demonstrated by the efforts of the International Islamic Organization for Economics and Finance. It has organized many conferences and seminars on insurance and takaful and has issued several important recommendations in the field of Takaful Insurance and its return. It has emerged through this advanced movement that one of the biggest obstacles of the Islamic insurance industry is the absence of Islamic reinsurance companies Sufficiently, in one of these conferences, it was recommended that several Islamic reinsurance companies

should be established and that the proposed re-insurance formulas should be studied until they were properly graduated In addition, many research institutions in support of Islamic banking have had many efforts on the development of this industry, such as the Accounting and Auditing Organization for Islamic Financial Institutions, which has issued a legal standard for the re-insurance cooperative in the Shariah standards issued by the Commission this year and discussed the standard Which should be available to enable the reinsurance to be judged to be in compliance with Shariah regulations. The standard also clarifies the controls required of an Islamic insurance company if it wishes to re-insurance at conventional companies as well as the controls that the insurance company If they want a commercial insurance company to return their insurance.

Study problems

The problem of the study is concentrated in a number of questions which are determined in:

Why the reliance on traditional reinsurance companies continues to this day by the Islamic insurance companies, despite the spread and increase day by day

And why the jurisprudential councils are still unable to meet the legal necessity of the Islamic reinsurance companies instead of the necessity that allows the Islamic and Takaful companies to enforce the returns of the traditional companies, which is established according to the transaction of interest and jealousy and all forbidden Traditional and Islamic reinsurance

The importance of insurance in social and economic life is clearly demonstrated in today's world. Insurance is one of the foundations of the modern economy. It plays a key role in financing development projects and protecting the economy through basic insurance functions:

1. Achieves security and security in order to provide opportunities to compensate for the various losses resulting from the damage, or to provide the insured with money to face the burdens of life.
2. It is an essential tool of finance and credit where the financing channels available to people to start their business need to provide insurance cover for mortgaging in an interview to meet the funding to replace the insurance in place of the mortgaged property if damaged or stolen.
3. Insurance is a means of capital formation, because the activity practiced by insurance companies depends on the mobilization of capital contributed by the shareholders or insured by their obligation to pay premiums, which allows the employment of these funds in different investments
4. - 4The various insurance companies are one of the most important financial institutions that deal in funds taking and giving, they are the roles of financial intermediation between savers and investors

Insurance performs several important functions, and achieves several benefits of a social nature performed by the economic level of the state, the most important of which are:

- Provide security.

- Break down risks and distribute their effects as much as possible.
- Collecting capital for individuals and society through savings.
- Activate individual credit and public credit.
- International role of ordinary insurance and reinsurance through risk distribution

The Islamic Insurance Company is a financial company with a basic principle based on the management of its funds in accordance with the provisions of the Islamic Shari'a, and by means of means free of any illicit prohibited such as riba, mixing of money and others.

Conventional reinsurance in the world

The concept of reinsurance is defined by the insurance company securing itself against another company against its losses arising from its issued documents. Accordingly, the reinsurance is a separate contract independent of the original insurance policy and is therefore a new insurance contract. The reinsurer agrees to compensate the company for its losses The potential potential arising from the original insurance policies to be issued in exchange for a premium or amount of money the company pays the reinsurer to the reinsurer, which is the reinsurance company and therefore the reinsurance aims to protect the insurance companies from potential losses Of its documents by transferring such losses to the reinsurer (ie, the recovery of its losses from the reinsurer of the reinsurer) against a premium paid to the reinsurer

Reinsurance carries many benefits, the majority of which are owed to the insurance companies it operates, and it has other benefits to the insured, although it is not a party to the return agreement, as well as benefits to the state in which it is engaged in supporting the insurance industry

The concept of reinsurance is based on the reinsurance of reinsurance by the reinsurance company. The cooperation under which the insurance company re-insures part of the risks that it has committed to third parties to the reinsurers for a commission

- Commercial insurance is a netting contract, and Islamic insurance is a contract based on donation and cooperation.
- The company is in Islamic insurance agent, while it is an original party in commercial insurance.
- The company in the commercial insurance has the premiums in return for its commitment to cover insurance, while the company in Islamic insurance does not have the value of participation, because premiums become owned by the insurance account.
- The remainder of the premiums and their returns after expenses and compensation remains the property of the account holders, the surplus distributed to them, and this is not envisaged in commercial insurance.
- Return on the investment of premium assets after discounting the Mudaraba ratio of the company belongs to the account holders of documents in Islamic insurance, which belongs to the company in commercial insurance.
- Islamic insurance aims to achieve cooperation between members of the community and is not aimed at profit

insurance operation, while commercial insurance is targeted from the same insurance profit.

- The company's profit in Islamic insurance is due to its investments for its funds and its share of the profit of Mudaraba, where it is the Mudarib and the insurance account of the capital.
- The co-believer in their truth is one, though they are different in mind, and two in the commercial insurance are quite different.
- The company in the Islamic insurance is committed to the provisions of the Sharia, and the fatwas of its legal body, and in commercial insurance does not have a commitment to the provisions of the law.
- Allocations taken from the fund and left to liquidate the company act in the best interests, and are not given to the shareholders, while they return to them in commercial insurance.

The ACA defines the concept of reinsurance in the traditional and Islamic systems

Definition of reinsurance

Traditional reinsurance

A contract whereby the insurance company transfers part of the risks it has pledged to the reinsurer, and undertakes to pay a share of the insurance premiums due to it from Who are liable to the return company for their obligation to bear a share of the claims in accordance with the agreement

Signed between them.

Islamic Insurance Reinsurance

Companies agreement subject to certain risks to avoid part of the damage resulting from these risks by paying a share of the insurance contributions owed to them by the tenants on the basis of the obligation to donate. This includes a personal reinsurance fund

)A fund) to compensate for the insured part of the damages incurred by the insurance company as a result of the occurrence of the insured risks

(Corporate experiences, additional risks to the client and companies, the weighted balance for the benefit of companies, the magnitude of interest rates ...)

Decisions of Islamic Jurisprudence and Islamic Reorganization:
-re Insurance

Insurance experts believe that insurance companies can only continue to perform their services if reinsurance is re-insured.

One of the most important issues presented to FIS when the bank started establishing an Islamic insurance company was the issue of reinsurance in commercial insurance companies.

The Commission examined this issue and stated that the insurance company may re-insure the commercial reinsurance companies and built its advisory opinion on the basis on which the bank has ruled that it is not permissible to insure its property with the commercial insurance companies, namely, the existence of the need to make the gharar ineffective in the contract, The Commission was convinced that the bank's need to insure its funds in commercial insurance companies was not satisfied, because it could establish an Islamic cooperative insurance company. It denied the claim. The Commission was

convinced that the reinsurance of commercial reinsurance companies when the Islamic insurance company The absence of Islamic reinsurance companies, and the inability of the bank to establish an Islamic reinsurance company, and denied the right of re-insurance of commercial reinsurance companies with the following restrictions:

To reduce the proportion of premiums paid to commercial reinsurance companies to the minimum extent that eliminates the need - in accordance with the jurisprudential rule "need is estimated."

Non-receipt of a commission from the Commercial Reinsurance Company:

The method used in dealing between commercial insurance companies and commercial reinsurance companies is that the insurance company pays the reinsurance company the total agreed premiums. The reinsurance company pays the insurance company the reinsurance commission at the agreed rates of participation in the insurance company's management expenses.

This method is not appropriate for the Islamic insurance company, because the Islamic insurance company performs its services to the participants, and takes their administrative expenses from them, not through the reinsurance company, and because taking this commission makes the Islamic insurance company as the product of the reinsurance business, which is supposed to be limited between The Islamic Insurance Company and the Commercial Reinsurance Company with an independent contract. The participants in the Islamic Insurance Company have no connection with the Commercial Reinsurance Company.

Therefore, the Islamic Insurance Company holds reinsurance agreements on a net premium basis and does not take commission from the Commercial Reinsurance Company.

The Islamic Insurance Company shall pay interest on the reserves it holds:

It is customary in commercial insurance that the insurance company should hold part of the premiums due to the reinsurance company to meet the unexpired risks and pay interest to the reinsurance company. The Sudanese Islamic insurance company avoided this transaction and did not reserve the first reserves. The company agreed with the reinsurance company that the company invests these reserves in legitimate ways and pays them a percentage of profit.

The Islamic Insurance Company does not intervene in the way the reinsurance company invests in the premiums paid to it, and does not claim a share in the return on its investments and the loss of liability for the loss.

The agreement with the reinsurance company shall be for the shortest period possible and the Islamic Insurance Company shall return to the Shari'a Supervisory Board whenever it wishes to renew the agreement with the commercial reinsurance companies.

The Commission urges the Bank to work now (1977) to establish a cooperative reinsurance company that will benefit from dealing with commercial reinsurance companies.

The Supreme Authority for the Supervision of Insurance has issued a directive that the priority in reinsurance is as follows:

- a. National Reinsurance Company - Sudan - Limited.
- B. Islamic reinsurance companies outside Sudan.
- C. Cooperative reinsurance companies outside Sudan.
- Dr.. Commercial reinsurance companies.

We hoped that the use of the license would not be prolonged in dealing with commercial reinsurance companies and that they would respond to repeated calls for the establishment of Islamic reinsurance companies that would eliminate the need for commercial reinsurance companies and would make all insurance fully cooperative.

1. Conference of Muslim Scholars II in Cairo in 1385,
2. Conference of Muslim Scholars VII also in (1392 AH / 1972,(Islamic Research Complex in Al-Azhar Al-Sharif,
3. Islamic Jurisprudence Complex in the Islamic Scholars Association in Mecca (1398 AH / 1978.(
4. The decision of the council of senior scientists in the Kingdom of Saudi Arabia in (1397 AH / 1977 AD(
5. The decision of the third Fiqh Symposium in Kuwait Finance House in 1413H (1993 .(Resolution of the Islamic Fiqh Academy No. 9 (9/2) on insurance and reinsurance at the second session held in Jeddah in 1985, the last of which reads as follows:
6. >
7. Decision No. 9 (9/2) on Insurance and Reinsurance Magazine of the Academy - P2, C 1/545

The Council of the Academy of Islamic Jurisprudence, established by the Organization of the Islamic Conference in the session of its second conference in Jeddah from 10-16 Rabi Al-Akhar 1406 AH / 22-28 December 1985

About Insurance and reinsurance

The Council of the Academy of Islamic Jurisprudence of the Islamic Conference of the Organization of the Islamic Conference in the session of the Second Conference in Jeddah from 10 to 16 Rabi Al-Akhar 1406 AH, corresponding to 22 - 28 December 1985,

Following the presentations by the scientists participating in the course on the subject of insurance and reinsurance, After discussing the submitted studies,

After deepening the research in all its forms, types and principles on which it is based and the goals it aims at, After consideration of what was issued by the jurisprudential councils and scientific bodies in this regard,

Resolved

First: The commercial insurance contract with a fixed installment, which is dealt with by the commercial insurance companies, held a large hole in it that is corrupting the contract. Therefore, it is haraam.

Second: The alternative contract that respects the assets of Islamic dealing is the cooperative insurance contract based on donation and cooperation, as well as the reinsurance based on cooperative insurance.

Third: Inviting the Islamic countries to work on the establishment of cooperative insurance institutions as well as cooperative reinsurance institutions, so that the Islamic economy will be freed from exploitation and from the violation of the regime that God desires for this nation.
God knows

Please clarify the difference between insurance and reinsurance, and what are the conditions, and what are the conditions? God bless you and reward you richly rewarded.

Answer

Praise be to God and prayers and peace be upon the Messenger of Allah and his family and companions, but after:

The meaning of insurance has been clarified, with its types, provisions and conditions mentioned in Fatwa No: 7394.

Reinsurance is that the insurance company pays part of the premiums received from the public of the insured to a reinsurance company that guarantees a part of the losses. If the insured risk occurs, the tenant resorts to the insurance company that pays him, To pay part of the compensation as agreed between them.

As a direct insurance company as an intermediary between the insurer and the reinsurance companies, reinsurance is based on the company in which this type of insurance is made. If the reinsurance company is commercial, it is not permissible to re-insure it, because it is a commercial insurance contract in which insurers are insured rather than individuals.

If the reinsurance company is Islamic, then there is no objection to re-insurance for it, because they did not mention it in the fatwa that we have referred to regarding the types of insurance, what is permissible and what is not permissible

The last decision issued from

The Council of Islamic Jurisprudence Complex of the Islamic Cooperation Organization, held at its twenty-first session in Riyadh, Kingdom of Saudi Arabia, between 15-19 Muharram 1435H corresponding to 18-22 November 2013

Issued in Article 10 of its decisions regarding Islamic reinsurance

)Islamic insurance companies are obliged to return them to insurance with reinsurance companies

If it is not possible and for justified reasons, it may re-insure the conventional reinsurance companies to the extent required in accordance with the controls set by the Shari'a Supervisory Board and any other controls it deems fit, including:

1. To reduce the ratio of traditional reinsurance companies to a minimum.
2. B- The Cooperative Insurance Company shall not invest the reinsurance premium paid to it except in accordance with the provisions of the Shariah. It shall not be entitled to claim a share of the investment income of such companies if they are contrary to the Islamic Shari'a, nor shall they be liable for the losses suffered by such companies.
3. C. The Cooperative Insurance Company shall not pay any interest on the amounts held by the traditional reinsurance companies and shall not take interest from the amounts held by it, provided that they are retained by

cooperative insurance companies and not by the return companies.

4. The agreement with the traditional reinsurers shall be as short as possible

The difference between cooperative insurance and conventional insurance:

The traditional insurance is dominated by Gharar can be expressed as a Gharar the same, and therefore it is a lot of extreme jealousy forbidden, only allowed in exceptional circumstances.

And that Takaful insurance diminishes Gharar, for the component of the donation based on the limited believers and Vtizh need and this is the first difference That Takaful insurance contract attached and known because it is built in his intention to cooperate and this is forgiven Gharar as we presented in the question: "I mean Bjlamk that your eyes" in the search of need.

As in the issue of the dinar and the food, he wanted to make the pledge forbidden and if he wanted to divorce, it is permissible because it is known in the search for need.

Unlike traditional insurance, the predominant purpose is trade and earning profit, so it is not permissible to deceive, and this is the second difference.

The third difference is that the gharar in the conventional insurance is an asset because the institution is based on earning from the accidents that did not happen while the trickery in the takaful is additional and dependent, and we have presented the question of the wadi and the baby about the sites.

The basic elements of Takaful

The most important thing in Takaful is three elements:

The donation component is a donation to the injured members of the company part of the profit or profit in full, and this may also contribute to the speculative part of the capital and this is permissible because it is forgiven Gharar in donations.

The partnership element, which is the consideration of every premium paid to the company, is a contribution rather than a payment.

element of the union of the person with the two sides between the insurer in the form of the name of the actor and insured in the form of the name of the effect whether they managed the company themselves as a company and money, or managed by an administrative agency engaged in the process of pay agency.

As for the advisory opinion on commercial insurance approved by the Council in specific cases, the fatwa is based on the severe need arising from the imposition of the law or the severe embarrassment and hardship according to the statement of Sheikh Taqi al-Din Ibn Taymiyyah in his statement on the swindles. RajihAbih Muharram."

It is built on the other hand on the dispute that we have mentioned in the study of need and which is likely in corrupt contracts.

Islamic reinsurance

With the spread of Islamic financial institutions from banks and insurance companies and others and in order to achieve the necessity to complete all the various calls for the implementation of Islamic reinsurers There is no doubt that the Islamic reinsurance industry is still facing many challenges and many obstacles facing it and that the cooperative reinsurance market needs time and effort by those who manage Islamic financial matters to achieve the desired successes and objectives.

The most important of these challenges is how to formulate the legal forms of this industry without relying on the existing traditional reinsurance companies and then stipulate the legitimate leave in dealing with the current traditional companies to the minimum extent, which makes it difficult to achieve this assumption, which leads to further scrutiny and

This challenge is in line with the current reality, which makes Islamic insurance companies with limited resources and modest scope within the insurance market according to the overall picture

Challenges of Islamic reinsurance

Is the low and limited level of insurance awareness and the lack of awareness of a large segment of society to the limits of the difference between Takaful insurance and commercial insurance. This is followed by the fact that the Takaful companies themselves do not have a subscription program that enhances their competitive position vis-à-vis the commercial (conventional) insurance companies, and here we return to recall and focus on the need to put forward what is new and create an effective marketing movement.

In addition, the number of Takaful insurance companies is still very low compared to other countries. For example, Saudi Arabia has 41 companies, the UAE 10 companies, Bahrain 9 companies and so on ... The increasing number of companies contributes greatly to the awareness and culture Takaful insurance, which is supposed to lead to a significant increase in the growth of the Islamic insurance market, and this coincides with a relative weakness experienced by companies and brokers Takaful reinsurance in general.

There is no legal framework for Takaful in the Insurance Supervisory Authority, as such presence is urgent.

The low economic growth rates in Islamic countries and the low levels of liquidity are the most important obstacles to deepening the spread of the insurance industry in general (both traditional and takaful), as well as the weak purchasing power of wages and salaries and the low level of income, which is negatively correlated with the flourishing of the takaful industry.

Despite increased confidence in Islamic insurance

Some of these challenges are similar to the challenges of the conventional insurance industry and others are related to the special nature of Islamic Takaful insurance

These challenges include the need to use Takaful reinsurance, having relied on traditional returns as protection of symbiotic actions, in particular that Takaful insurance systems do not prevent recourse to traditional reinstatement when adequate

absorptive capacity is not available for retakaful, and takaful work must be consistent with provisions Including the use of retakaful to complete the cycle of work from start to finish and the need for the products and documents offered Tkvlip offered only a reflection of traditional products and the search for new channels of distribution and that does not become part of the Symbiotic companies for winnings business and non-symbiotic non-Islamic origin.

The continued expansion and growth of Takaful and Islamic insurance companies requires the establishment of an international Takaful Commission to act as the leadership and guide for newcomers currently in Takaful business.

One of the challenges facing takaful insurance is human resources. Human resource support is an urgent need for the development of takaful insurance. The issue of attracting and retaining qualified elements for the greatest possible time is the main challenge for takaful insurance companies. The competition to attract these elements has become a major target for companies. Teaching in the fields of insurance and Islamic reinsurance has become an urgent need.

Islamic investment channels that comply with Shariah provisions are still limited. The lack of liquidity and diversification of existing Takaful products is a major obstacle to this industry.

It is expected that Islamic insurance will shine in the near future because it benefits from conventional insurance while complying with Shariah provisions to meet the desires and needs of the insurance market, individuals, companies and businesses together.

In addition to the weakness of the capital base of the insurance companies, the re-insurance of Islam, the lack of qualified specialists in the Islamic insurance sector, the weak legislative rules of Islamic insurance in many countries and the absence of uniform standards for Islamic insurance companies, And the lack of proper marketing or correct understanding of the Islamic insurance service, so that it can achieve higher levels of penetration than it is now, especially in non-Islamic countries, the fact that Islamic insurance products are limited, and the current low economic growth rates have negatively affected Growth rates for Takaful insurance locally and globally.

Practical challenges

Dr. Riad Mansour Al Khulaifi, an expert in cooperative insurance in Kuwait, confirmed that the Takaful insurance industry still faces a number of strategic challenges that threaten its future unless legal solutions and technical tools are developed to support this industry and secure its promising path.

Al-Khulaifi said during his participation in the Cooperative Insurance Forum, which concluded in Riyadh recently, the need to intervene quickly to meet these challenges and identify the shortcomings of the Takaful insurance industry, where requires serious work to complete the shortcomings and address the deficit and what it suffers from the imbalance, The absence of a special legal standard in the "Shariah controls for insurance coverage", the weakness of the tasks of inspection and subsequent Shari'a supervision, the weakness of the legal

qualification of the employees of the Takaful insurance companies, and the absence of the Supreme Commission for Islamic Takaful Insurance.

Al-Khulaifi said that the problem of the Takaful insurance industry is determined by several reasons, including the absence of the comprehensive and integrated scientific and training curriculum for this industry, the modernity of the establishment and application of the Islamic Takaful industry compared to tradition, the multiplicity of mechanisms and technical schools in the application of Takaful insurance system even at the level of the country, Sharia knowledge and technical know-how in Takaful insurance, in addition to the pursuit of Takaful companies and their preoccupation with the priority of market competition in isolation from legal and technical qualification.

Al Khulaifi has identified a number of solutions that may contribute to the treatment of these problems, including: Combining the efforts of the Takaful companies to establish a specialized research center in the Islamic Takaful insurance industry, In various insurance companies in the world, and design the project "the authorized reference source" for the Islamic Takaful insurance industry.

"This initiative must be under the supervision of an international authority such as the International Islamic Organization for Economics and Finance, the General Council of Islamic Banks and Financial Institutions, or the Research Institute of the Islamic Development Bank," he said. The knowledge of the employees of the Takaful company, through the holding of educational meetings and training courses, and periodically verify the seriousness of senior management in its quest to achieve this requirement is necessary.

Regarding Takaful reinsurance companies, Al-Khulaifi pointed out that since the Takaful insurance industry was established, it has been written to face one of its biggest practical challenges: the absence of Islamic reinsurance companies. The existence of a reinsurance company is one of the necessities of the insurance industry in general, Adding that contemporary Islamic jurisprudence has taken up this strategic challenge for Takaful insurance companies, which is the absence of Islamic reinsurance companies. The fatwa came to allow dealing with conventional commercial reinsurance in accordance with the provisions of necessity, Lamy.

He added that the Islamic economy then succeeded in establishing the Islamic alternative to the reinsurance system. There are currently about four companies specializing in Islamic Takaful Reinsurance. Therefore, the provisions of necessity are narrowing according to the breadth of the Halal circle and the decline of the Haram circle.

He pointed out that the Islamic Takaful reinsurance companies are currently facing several challenges and problems, including the reluctance of many direct Takaful companies and their failure to arrange return agreements with them, but they keep these companies direct Takaful agreements with traditional commercial return companies.

He pointed out that direct Takaful companies justify this position as follows: Re-Takaful companies are still in the bud and under experience, and the technical risks are very high as a result of the recent emergence and lack of experience, and the

solvency of the companies of Takaful is very low and in the tens of millions only, They will certainly not be able to absorb the amount of risks referred to them by direct Takaful insurance companies, and here it is not wise to risk reinserting our risks, and leave the return to trade advocates with very high solvency amounting to tens, even hundreds of billions.

He drew vinegar

Al-Khulaifi pointed out that direct takaful companies believe that takaful companies act as intermediaries between them and the world's largest traditional remittance companies. They therefore shorten and resort to these large companies in order to obtain higher advantages, faster and better service, lower return cost, Less if we attribute our relatively few risks to their very large financial solvency.

Al-Khulaifi said that these rationales, although apparently apparent, do not allow them to be launched. The claim that the retakaful companies act as a mediator between the direct company and the global conventional trade facilitator is incorrect, but they provide their services in total re-takaful and as a major The acknowledgment that in certain particular cases, the reciter can restore the upper ceilings from very high and exceptional risks to the traditional healer.

"The Takaful has worked to fill a strategic gap in the Islamic Takaful industry. If it does not find the support, support and operation of direct Takaful companies, is it expected from traditional commercial insurers"?

The cooperative insurance expert in Kuwait pointed out that the legitimate duty requires direct Takaful companies to codify and apply their application periodically, and that this proportion gradually increase over time to cut the deal with the traditional in the college, even if it took decades.

History of Islamic reinsurance

Insurance experts believe that insurance companies can only continue to perform their services if reinsurance is re-insured. One of the most important issues presented to FIS when the bank started establishing an Islamic insurance company was the issue of reinsurance in commercial insurance companies.

The Commission examined this issue and stated that the insurance company may re-insure the commercial reinsurance companies and built its advisory opinion on the basis on which the bank has ruled that it is not permissible to insure its property with the commercial insurance companies, namely, the existence of the need to make the gharar ineffective in the contract, The Commission was convinced that the bank's need to insure its funds in commercial insurance companies was not satisfied, because it could establish an Islamic cooperative insurance company. It denied the claim. The Commission was convinced that the reinsurance of commercial reinsurance companies when the Islamic insurance company The absence of Islamic reinsurance companies, and the inability of the bank to establish an Islamic reinsurance company, and denied the right of re-insurance of commercial reinsurance companies with the following restrictions:

To reduce the proportion of premiums paid to commercial reinsurance companies to the minimum extent that eliminates the need - in accordance with the jurisprudential rule "need is estimated."

Non-receipt of a commission from the Commercial Reinsurance Company

The method used in dealing between commercial insurance companies and commercial reinsurance companies is that the insurance company pays the reinsurance company the total agreed premiums. The reinsurance company pays the insurance company the reinsurance commission at the agreed rates of participation in the insurance company's management expenses.

This method is not appropriate for the Islamic insurance company, because the Islamic insurance company performs its services to the participants, and takes their administrative expenses from them, not through the reinsurance company, and because taking this commission makes the Islamic insurance company as the product of the reinsurance business, which is supposed to be limited between The Islamic Insurance Company and the Commercial Reinsurance Company with an independent contract. The participants in the Islamic Insurance Company have no connection with the Commercial Reinsurance Company.

Therefore, the Islamic Insurance Company holds reinsurance agreements on a net premium basis and does not take commission from the Commercial Reinsurance Company.

The Islamic Insurance Company shall pay interest on the reserves it holds:

It is customary in commercial insurance that the insurance company should hold part of the premiums due to the reinsurance company to meet the unexpired risks and pay interest to the reinsurance company. The Sudanese Islamic insurance company avoided this transaction and did not reserve the first reserves. The company agreed with the reinsurance company that the company invests these reserves in legitimate ways and pays them a percentage of profit.

The Islamic Insurance Company does not intervene in the way the reinsurance company invests in the premiums paid to it, and does not claim a share in the return on its investments and the loss of liability for the loss.

The agreement with the reinsurance company shall be for the shortest period possible and the Islamic Insurance Company shall return to the Shari'a Supervisory Board whenever it wishes to renew the agreement with the commercial reinsurance companies.

The Commission urges the Bank to work now (1977) to establish a cooperative reinsurance company that will benefit from dealing with commercial reinsurance companies.

The Supreme Authority for the Supervision of Insurance has issued a directive that the priority in reinsurance is as follows:

- a. National Reinsurance Company - Sudan - Limited.
- B. Islamic reinsurance companies outside Sudan.
- C. Cooperative reinsurance companies outside Sudan.
- Dr.. Commercial reinsurance companies.

Reinsurance in Islamic Countries

There is no doubt that the Islamic countries have shown an effective response to support and develop the Islamic insurance

industry. Currently, all the elements are available for the start of re-insurance and it enjoys the political support of all countries. Some of them have leapt

On the other hand, the Islamic insurance and Takaful companies spread in many non-Islamic countries such as Russia and others, which enhances the chances of success and progress of this industry

Therefore, it is clear that the reinsurance companies are peace, which is motivated by the presence of the political will in all the countries that establish Islamic insurance companies and this has emerged through the collapse and defiance of various conferences and forums around the world in the discussion of issues of Islamic insurance and Islamic reinsurance and interdependence

This is reinforced by the presence of institutions in the Islamic world with great capabilities and capabilities in Malaysia, Saudi Arabia, Kuwait, the UAE, and other political, and systemic components (the outputs of the Islamic Bank conferences and meetings, the Islamic countries' orientation towards Islamic insurance, the existence of Islamic financial institutions with large capital and investments) , The existence of legitimate institutions and references(...)

There is no doubt that the global market is expanding, with the well-known international repurchase companies entering the Takaful and Islamic insurance market, and establishing their own Takaful reinsurance subsidiaries. The most important of these companies are Hanoveri Takaful, Takaful Re, Bastri and many others. The reinsurance market has many complexities and multiple factors, and the success of its companies takes a long time, and the effort to build efficiency and ability to face risks.

Reinsurance companies are comparatively low worldwide compared to insurance companies, due to the enormous financial resources required by reinsurance operations, as well as the complexity of reinsurance operations compared to insurance operations.

Economic and financial fundamentals (money, economic development, damage to interest on the economy of the Islamic world and the Third World, etc(.

The social and cultural components: (adherence to Islamic values and rejection of usury, solidarity and solidarity, social risk in traditional reinsurance companies ...)

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Proposed Structure/Proposed Formula for Islamic Reinsurance Company

It is necessary to formulate the relevant proposal for the availability and availability of information

Importance and fundamentals

This proposal represents a lifeline for the future of insurance and reinsurance in the Islamic world and the world at large and will achieve many benefits that end the challenges faced by modern Islamic insurance makers and exceed the risk of dealing with traditional reinsurers with multiple risks

Therefore, this call stems from the establishment of a holding reinsurance company that is parallel to and similar to the call for the establishment of the Islamic Development Bank through its services in the Islamic world and Islamic countries as well as Muslim minorities in non-Islamic countries

This calls for Muslims to make up more than 20 per cent of the world's population, the growing desire of Muslim societies to adhere to Islamic law in all financial transactions, the high rates of population growth in the Muslim world and the evolution of the Muslim world's demographic composition, The high growth witnessed by the Islamic financial sector at the global level, the increasing pace of industrial and commercial growth in the Islamic world, the increasing need and demand for Islamic Takaful Insurance, Zmh and insurance laws, to agree with Takaful insurance, in addition to the possibility of Islamic

solidarity service to non-Muslims, what it is characterized by this system of justice and neutrality

The development and spread of Islamic insurance and Islamic reinsurance

After it settled on the inviolability of commercial insurance and the adoption of Takaful insurance as a legitimate alternative by a special decision issued by the Islamic Jurisprudence Complex, it was necessary to develop systems and methods of dealing with Takaful insurance and raise it to the level that is driven by the need for commercial insurance.

Over the last two decades, successful efforts have been made, resulting in the establishment of Islamic insurance companies operating under takaful insurance, but in a sophisticated manner.

The development of Takaful insurance was motivated by an increase in the number of insured persons to hundreds of thousands, and the variety of risks insured to include many types. There was a need for a specialized insurance company to manage the Takaful insurance business.

One of the most important factors that encouraged the establishment of Takaful insurance companies is the greed and exploitation practiced by the commercial insurance companies, after the first goal became profit, and increased their exploitation that insurance in some forms became mandatory such as insurance on cars, securing employers on the lives of workers, And so on.

This has led to a reaction that contributed to the establishment of a number of Takaful insurance companies on the basis of cooperative insurance, which led to the suspension of commercial insurance companies because it replaced them in the wide range in which it was operating and a distinct Islamic methodology based on providing protection to the insured at an equal cost.

On the other hand, banking operations as a whole, whether they are financial facilities for import and export or industry, or granting loans or for investment purposes, all require the necessary insurance or insurance. This is in addition to the urgent need of banks to insure their assets from fixed and movable funds, so that they are assured of the continuity of their practice and the achievement of the objectives for which they were established for security purposes.

The result of the establishment of an Islamic banking institution of social and economic effects, as there is a large category of citizens did not find a way to spend their needs without embarrassment legitimate, which found its involvement in Islamic banks and then activated and moved and interact with the cycle of the national economy.

Islamic banks in Islamic insurance companies found their expectations and expectations as Islamic insurance companies complemented the Islamic economy cycle initiated by Islamic banks and came together to protect their savings.

Islamic banks have played an active role in the establishment of Takaful insurance companies and their support, sponsorship and success. Many of these companies emanate from some Islamic banks and Islamic banks insure their properties and the property of those who deal with them.

Islamic banks are considered as deposit and investment entities for Takaful insurance companies, and among the most famous Islamic Takaful insurance companies, the first of which is the establishment of the following:

The Islamic Insurance Company in Sudan: The first Takaful Insurance Company, which came into being in 1399H corresponding to 1979, in Khartoum by Faisal Islamic Bank of Sudan.

The Islamic Arab Insurance Company (IAC) in Dubai, which came into existence in 1399H corresponding to 1979, by Dubai Islamic Bank.

National Company for Cooperative Insurance: It came into being in Riyadh, Kingdom of Saudi Arabia in 1405 AH in 1985, by Royal Decree, a government company in full

The Islamic Insurance and Reinsurance Company, which came into existence in 1405H corresponding to 1985 in Bahrain.

Islamic International Insurance Company in Bahrain, which came into existence in 1412H corresponding to 1992, and the Islamic Bank of Bahrain has an important role in establishing and investing its funds.

The Islamic Insurance Company Public Shareholding Company Limited in Jordan, which came into being in 1996, with the support of the Jordan Islamic Bank and started its operations from 1/4/1996.

Aman Takaful Insurance Company - Lebanon, which started its operations in 2002.

The Egyptian-Saudi Insurance House, which started operations in 2003 in the Republic of Egypt

History

In the year 622 AD: Morse in Madinah system "Aqila", which dealt with the issue of manslaughter and take responsibility for the legitimacy of the family or tribe killer

1964A meeting of the Islamic Jurisprudence Complex was held in Damascus in which the topic of insurance was discussed. Most jurists agreed on the inviolability of commercial insurance and approved cooperative insurance as a substitute.

1979Faisal Islamic Bank of Sudan established the first insurance company Takaful under the name of the Islamic Insurance Company of Sudan,

1979At the end of the same year, Dubai Islamic Bank in the United Arab Emirates

Established the Arab Islamic Insurance Company in Dubai.

198The Takaful Insurance Law entered into force in Malaysia and the first Takaful Insurance Company was established in the same year.

1985Established in Saudi Arabia, the first Islamic insurance company wholly owned by the Saudi government under the name of the National Company for Cooperative Insurance.

Up to 2012: The number of Islamic companies / Takaful 200 companies, mostly direct insurance companies and some of the reinsurance companies, and others insurance and reinsurance companies distributed throughout the world

Models on the way

The aim is to review some models on the way to the reinsertion of the reinsurance industry in the Islamic world Bahrain

United States-based reinsurance company Takaful plans to open a branch in Bahrain before the end of 2012, becoming the third reinsurance company in the Kingdom.

Abdulrahman Al Baker said that the reinsurance market for the takaful industry reached about BD 350 million at the end of 2011. The companies in the Kingdom cover Bahrain, the Arab region as well as parts of East Asia, such as India.

Al-Baker, who spoke to reporters on the sidelines of the opening of a conference on Takaful held at the Gulf Hotel, said that the size of Takaful premiums in Bahrain is 41 million dinars, representing 19 percent of the total premiums, which amounted to 215 million dinars at the end of 2011, And that growth is up to 15 percent.«

Asked about the establishment of new reinsurance companies, Al Baker said: "In the near future, a branch in Bahrain will be opened for a reputable US company." But al-Baker did not give any further details.

Bahrain has 6 conventional and takaful reinsurance companies, including two retakaful companies, Henover, the world's fifth reinsurer, and ACR.

The insurance sector in Bahrain is expected to achieve higher growth in the coming years due to increased awareness of the importance of insurance products in general, as well as the increase in economic growth in the Kingdom and the safety of the legislative and supervisory environment of the insurance sector in Bahrain.

On the other hand, Al-Baker told the conference that global Takaful markets will grow strongly over the next five years to reach about \$ 20 billion by 2017, and that Gulf Arab countries account for more than 60% of the global Takaful industry.

"Looking ahead, we see significant unexploited potential for the takaful industry, especially in family takaful in the GCC. Furthermore, we believe that Takaful markets will grow significantly over the next five years to reach \$ 20 billion" .

He explained that the global Takaful industry is witnessing a double digit growth rate of around 19%. "The GCC and Southeast Asian countries are major contributors to the \$ 9 billion premium of the global Takaful industry, and the GCC is still at the top of the list in terms of Total contributions according to the latest industry data, which revealed their contribution by 62 percent.62%

But one of the issues that is causing concern about the profitability of the takaful industry is "insufficient availability of Shariah-compliant financial instruments. "The allocation of a large amount to high-risk asset classes to maximize returns does not help the industry" ".There is an urgent need to develop more Shari'ah-compliant investments and deepen existing Islamic financial markets. This can be achieved by allocating resources for research and development at the level of comprehensive strategies to strengthen and expand Islamic financial markets regionally and globally".

"The current state of the market makes Takaful companies face challenges to maintain momentum while boosting profitability. This calls for proactive steps and a review of strategies to overcome the various challenges in order to sustain growth momentum".

The Central Bank is currently working to modernize and expand the Takaful rules, in order to facilitate and promote the growth of the Takaful industry, and part of these rules are related to margin requirements.

For his part, Assistant Director General of the Bahrain Institute for Banking and Financial Studies, Hussein Al-Ajmi, said that the insurance market is moving towards stability, including fluctuating prices as well as competition in the market, and that the expectations for the second half of 2012 are "Moderate."

He pointed out that the countries that have the lion's share in the insurance market in the region is the United Arab Emirates, which is the largest in the size of insurance premiums, and Saudi Arabia and Morocco, with growth between 4 and 5 percent.

"The growth in Takaful will be higher than the traditional because of the entry of many companies in the industry. For example, Oman has recently passed a law that allows for the establishment of insurance companies as a result of need and Omanis have been moving to the UAE in the past because there are no Takaful companies in Sultanate.

Malaysia

Switzerland Re, the world's second-largest reinsurance company, received a license from the bank
Malaysia

Switzerland Re, the world's second-largest reinsurance company, has obtained a license from the Central Bank of Malaysia to practice Islamic reinsurance in Malaysia.

"The license will allow us to consolidate and expand our efforts to provide re-takaful solutions," said Marcel Omar Bab, head of Swiss Re-Takaful, according to Reuters. "The license allows Swiss Re to provide insurance services Family and re-takaful, or reinsurance at the global level.

The company, based in Zurich, Switzerland, estimates the world's takaful premiums in 2007 at about \$ 1.7 billion, and predicted the global Takaful market will quadruple to reach \$ 7 billion by 2015.

Islamic insurance involves the sharing of risks and returns between insurance companies and customers, and is increasingly popular in Islamic countries, but the industry is still relatively small and many Takaful companies are taking risks from traditional reinsurance companies because of a lack of reinsurance capacity Islamic

The United Arab Emirates

Dubai Islamic Insurance & Reinsurance Company ("AMAN") was established in the second quarter of 2002 as a national public shareholding company with a remarkable growth potential and the beginning of a unique era in Islamic insurance services in the UAE.

By offering and providing a comprehensive and comprehensive Islamic insurance services, Aman aims to support the stability

and security of our communities through premium insurance services.

As a national Islamic insurance company, Aman provides Aman Investment and Insurance services and activities in accordance with the provisions of Islamic Shari'a under the supervision of the Fatwa and Shari'a Supervisory Board, which consists of specialists in Islamic Economics and Islamic Transactions

There is no doubt that confidence in the future of insurance and reinsurance companies operating in the GCC is very strong, as evidenced by the growth of the insurance sector across the Gulf and at an annual rate of 12% between 2008 and 2012. Qatar offers a significant opportunity in this area, with total written premiums currently at US \$ 1.4 billion, with expectations that this value will double over the next five years.

Opportunities for international and domestic insurance companies in the GCC are driven by a number of key factors, including massive infrastructure spending initiatives in member countries, increased consumer awareness, consumer wealth growth, increased compulsory services (such as health care) and other factors . Since 2000, more than \$ 650 billion has been allocated to non-hydrocarbon projects in the GCC according to MEED projects. Infrastructure investments in Qatar alone have reached US \$ 222 billion (MEED projects) and will be invested in infrastructure projects until 2016 as Qatar hosts the 2022 FIFA World Cup.

As Takaful insurance products are increasingly being introduced, this also contributes to the overall growth of the life insurance market in particular.

With demand for insurance continuing, demand for reinsurance products and services is increasing.

The reinsurance rate for Islamic tankful companies listed on the UAE stock markets was 32.3 per cent and constituted the highest rate of reinsurance for Dubai Islamic Insurance Company which reached 69.4 per cent in 2009 and was the lowest for Methaq Takaful Insurance by 8 per cent Abu Dhabi National Takaful Company had a reinsurance rate of 51.3 per cent, while Salameh had a reinsurance ratio of 18.2 per cent.

The Takaful Index for UAE Takaful companies for 2009 was 61%, which means that Takaful companies are in profit from their insurance activities. The average index for the companies under study reached 80%. Takaful House was the most active Takaful Company A loss of its insurance business with a cumulative index of 145 per cent and Methaq Takaful Insurance Company with a cumulative index of 112 per cent. Dubai Islamic Insurance and Reinsurance Company was the most profitable Takaful company from its insurance business, Assembly With a 25 per cent increase in 2009 and Abu Dhabi National Takaful with a combined index of 44 per cent for 2009.

QUTAR

Given the booming economic outlook in Qatar, the QFC Authority believes that the prospects for insurance and reinsurance companies promise a promising future

The Arab Insurance Group (ARIG) was launched as the first reinsurance company in the Middle East and North Africa (MENA) region by Takaful Re. The company was co-founded by a number of prominent institutions in the region including

Qatar Islamic Insurance Company, Islamic Development Bank, Dubai Investment Bank, Emirates Industrial Bank, Takaful insurance in Kuwait.

The company's capital is \$ 500 million
Kingdom of Saudi Arabia

Saudi Arabia is the largest insurance market in the GCC, so the market remains largely untapped, but it has enormous potential for development and expansion once the market is properly organized and barriers to entry are removed. There are many challenges, including structural and cultural barriers, as experienced by mature markets.

Wafaya Takaful Insurance Company Chairman Abdullah Al-Fozan said that the growing growth in the cooperative insurance market in line with Shariah regulations in Saudi Arabia gives positive and promising indicators as the Kingdom is expected to reach an advanced position in the international cooperative insurance market for the rapid and accelerated growth rate. The resources of the State in all its economic sectors in light of the Kingdom's stability and stability at both the political and economic level.

Sudan

Sudan is credited with establishing the first Islamic insurance company in the world following the establishment of Faisal Islamic Bank. The Bank's operations required the implementation of the insurance system. Therefore, the Shari'a Supervisory Board issued the necessity of establishing a company according to Islamic principles.

The practical march began with the establishment of Faisal Islamic Bank of Sudan for the Islamic Insurance Company - the first Islamic insurance company in the world - pursuant to the advisory opinion of the Sharia Supervisory Authority, which I have the honor of chairing, which prevented him from insurance in commercial insurance companies because he could establish an Islamic cooperative insurance company, The Commission was established by the General.

The Islamic Insurance Company was established after the Islamic insurance companies, and these Islamic companies worked alongside the commercial insurance companies until 1992, in which the Insurance Supervision and Control Law was issued, which required all commercial insurance companies in Sudan to become Islamic cooperative insurance companies. , And resulted in a large turnout of insurance companies supported by statistics indicating the increase in contributions. Subsequently, the Islamic insurance companies were included, including Shikan Insurance and Reinsurance Company - Islamic Insurance Company - Al Baraka Insurance Company - Middle East Insurance Company - Juba Insurance Company - Al Salamah Insurance Company - Safna Insurance Company. Sudan became the seat of the World Federation of Takaful and Islamic Insurance.

All these efforts culminated in the establishment of
-1World Federation of Islamic Insurance and Takaful
World Federation of Cooperative Insurance

Global Takaful Group

We intend to provide these examples to confirm that many Islamic and Arab countries are seeking to enter the reinsurance industry, which is a positive indication of the possibility of

synergy and motivation for greater synergy and towards reaching advanced stages in the implementation and implementation of reinsurance operations at the international level. Is a catalyst and foreshadowing of the possibility of replacing Islamic reinsurance companies rather than of dealing with traditional *riba*-based return companies

On the other hand, it emerged that these models can be developed and can be unified and collected to be a controlled body that has many outputs at home and abroad

The importance of holding an Islamic reinsurance company.

All of this highlights the importance of this institutional holding to absorb the effective movement in most countries that initiated and sought to establish Islamic companies for reinsurance and thus provide real protection and support to Islamic finance companies and assure the whole world of the ability of Islamic insurance in the possibility of establishing institutions working in the insurance and takaful industry with all skill, From then on I introduce their products to the whole world

The fundamentals of the company's success

Structure, tasks and roles

The Holding Company is a new legal phenomenon of economic concentration between projects. It is a means of gathering companies, which is in fact a legal framework for concentration on the basis of supervision in management and participation in capital.

The holding company's control over the subsidiaries is achieved by controlling the decision-making power of the subsidiaries by enjoying a majority vote in the general assemblies of the shareholders or partners and the boards of directors of such companies. The holding company is able to achieve this control by owning the majority of the shares in the subsidiaries' Some laws stipulate that the holding company must own at least 51% of the share capital of the subsidiary. Some laws also permit the holding company to control the subsidiary through an agreement with the rest of the shareholders, Administration Whatever the percentage of shares owned by the holding company in the subsidiary's capital. A holding company in a country may control subsidiaries in other countries

The structure of Re-Insurance Holding Company is that all Islamic countries have contributed and supported this newborn body and contributed to its establishment. The role of the Islamic Development Bank is to play a role in providing the reference. All reinsurers in Dubai, Malaysia, Iran, Saudi Arabia and others will also become pillars of the required content format. Islamic insurance companies and Takaful arms for this new baby and thus become banks

The founders of the company

-Governments of Islamic countries

-Islamic Development Bank

-Islamic reinsurance companies

Islamic insurance companies

Islamic Banks

Financial markets

Contributions of international and regional financial institutions

Other miscellaneous contributions

Drafting of the proposal

The proposal aims at a wide alert at the level of the Organization of Islamic Cooperation in that the competent organs of the submission of the draft resolution and then the Islamic countries within the Organization with a loan to add and modify the contents to be appropriate to vote

The Islamic Development Bank Foundation, through the Conference of Ministers of Foreign Affairs of the Islamic Countries since 1973 and 1975, is calling for the establishment of the Higher Waqf Foundation in response to the aspirations of the Islamic Ummah in the urgent and necessary need for an agreement to harmonize the Accord Agreement. And spread.

The Organization of the Islamic Conference (OIC) invites Islamic countries to mobilize and mobilize for this event by inviting a special conference to launch a process for the organization and application of Islamic reinsurance throughout the Islamic world. The Islamic Development Bank and its various institutions undertake the scientific and practical initiative to make the project a success by contributing In the worksheets and support all slides and events supporting the project

The institution of the Islamic Fiqh Academy must interact with this call for the formulation and submission of jurisprudential and legal frameworks so that this project will find the legal sanction and affirm the legitimate necessity for its enforcement so that the Islamic insurance companies in the world can find the legal and legal basis for their concerted efforts and then the prominent interaction of this breakthrough. The Islamic Fiqh Academy should reconsider its recent decision until the failures and risks faced by the cooperative and Islamic insurance companies are circumvented by dealing with traditional reinsurance companies.

The participation and involvement of all Islamic banks worldwide in adopting this proposal to emphasize the importance of integration and coordination in the economic and Islamic institutions and the urgent response to provide Islamic reinsurance services to implement the functions and applications of Islamic banks in their spread and development

The commitment of all models of Islamic reinsurance companies in Malaysia, Saudi Arabia, UAE, Bahrain, Kuwait and others to actively contribute to this new body, which supports this movement and responds to all calls and consolidation of different efforts, fulfilling the objectives of the transition

All Islamic insurance and Takaful companies in the world should contribute to the establishment of this nascent institution, which will have a direct impact on these institutions in seeking to play their insurance role with all skill and ability to expand the umbrella of insurance to the largest sector possible to overcome the current challenges which are forced to deal with reinsurance companies Traditional applications

The Accounting and Auditing Organization of Banks and Financial Institutions shall work for the drafting of laws and regulations for this new body

The Islamic jurisprudential councils and Shari'ah Supervisory Committees should work to formulate the rules of

jurisprudence and appropriate contracts so that this new body can overcome the challenges and failures of the past and thus enforce the reinsurance operations according to the Islamic Shari'ah. These jurisprudential institutions must emphasize that the need is to support and enforce such The projects are far from presenting the concepts of necessity and the need to deal with riba-based reinsurance companies. Even Islamic insurance companies go beyond doctrinal directives that reflect the concepts of dealing with riba-based reinsurance companies and introducing them into tunnels and drawbacks. Yeh or reduce the handle to a lesser extent, and this can not happen unless you take advantage of this emerging and growing Islamic companies after only one day under the umbrella of a comprehensive insurance cover satisfies the aspirations of its employees and check for comprehensive insurance coverage in the world and the Muslim world.

Formulating and organizing contracts and insurance and reinsurance policies through the long experience of Islamic insurance companies with the reinsurance industry and providing cadres with legal, accounting and economic capabilities and skills, facilitating the implementation of this new project in reinsurance according to the Islamic perspective

Training and qualification of employees in the fields of insurance in reinsurance systems and procedures

Continued cooperation with global reinsurers in coordination, exchange of information, etc.

We hope that all inputs necessary to design a practical model for the implementation of this project will take place.

There is no doubt that this new body necessarily strengthens its relations with traditional reinsurance companies, but deals with them at all levels in training, coordination and exchange of services. Many of these institutions can seek to benefit from insurance and takaful systems and methods, and this nascent institution must print relations with similar institutions In the world at all levels

Expected outputs of the proposed company or sovereign fund

- a. Expected financial returns (investments and surpluses(...
- b. The holding company's proposal will take the sovereign fund model.

The fund is a legal regulatory term in which different types of investment assets are put forward, expressed by stocks, bonds or otherwise, in order to invest these assets within the rules and objectives governing the investment process of this fund.

The Fund may be owned by an individual or a group of individuals, a company or a private enterprise. International and local capital and investment markets are full of such funds. Different types of funds vary according to their different purposes, duration, and investment areas. The Fund's authorization is a pot or means used to regulate and facilitate the management of various investments belonging to a legal personality such as individuals or legal persons such as companies or institutions. Sovereign funds are the same funds with one difference that they are state-owned and hence came the status of sovereignty, which is launched on state-owned investment funds. The Sovereign Fund's permission is an investment vessel in which the surplus state puts its financial

revenues in order to invest in various fields and usually for long terms.

This model takes the Abu Dhabi Investment Authority (ADI) model, the world's largest sovereign fund, and is one of the largest sovereign funds in the global market.

Despite the global financial and economic changes and crises experienced by global economies along the world's geography, ADIA as one of the largest sovereign funds in the world has distinguished itself during this period through the long-term annual return of its investment portfolio, Where assets are invested, and on a geographical basis, to reduce the level of risk to which the investment portfolio is exposed.

Therefore, we hope that our proposal for reinsurance will become the sovereign form of investment in which the financial surpluses are collected. As an investment, it becomes the pool of various investments in the form of shares, Sukuk Finance and other important financial instruments.

Cultural outputs

Through seminars and conferences held over long periods, we find that jurists have issued fatwas on the prohibition of commercial insurance, and recommended the legal alternative is cooperative insurance, and also included proposals and recommendations that would do the movement of cooperative insurance on a large scale within the framework of Islamic law. Therefore, the role of jurisprudential groups and Shari'ah supervisory bodies will evolve to the need to spread the culture of Takaful and document the basic reference on which the Islamic insurance companies based on the system of Aqila in the beginning of Islam and according to the concepts of donation and the concept of surplus insurance

The insurance surplus is one of the fundamental differences that characterize Islamic insurance, on the basis of which the Islamic insurance companies have established commercial insurance under which conventional insurance companies operate because the insurance surplus is reinstated in the Islamic insurance for the subscribers on the basis that it is an increase of the premiums taken from them, Claims on the basis of a commitment to donate among them because of voluntary contracts

Therefore, the concepts and terminology of Islamic insurance, cooperative and collective solidarity will be developed and many of the various outputs will be derived to provide a new understanding of a new culture that will be a real addition to enriching many forums, forums, seminars and conferences all over the world.

Development outputs

There is no doubt that insurance and reinsurance plays an important role in the framework of Islamic countries, thus supporting and developing their economies and pushing them to economic development and actively contributing to the collection of savings and then directing them to various investments, which include direct contribution to the gross domestic product of the Islamic countries

The insurance and reinsurance of the Islamic countries contribute to the creation of many jobs for the children of the

Islamic world by providing tools, curricula and training programs to produce a trained and qualified generation for this pioneering and evolving industry.

There is no doubt that the stability of work and support in the framework of reinsurance in the Islamic world and then provide Takaful services extensively and then activate the role of the Islamic insurance industry and in the fight against poverty and provide various social services in support of families, widows, orphans and others by activating the comprehensive interdependence.

There is no doubt that the stability of the work in the areas of Islamic insurance and the benefit will have a direct return in support of Islamic financing in all its aspects from banks and financial institutions and financial markets, which will achieve the desired economic stability

Scientific and practical outputs

This achievement will be followed by the comprehensive Islamic finance after the completion of the unique contract and the entry of the Islamic reinsurance industry to mobilize and support the various studies at the level of universities and various educational institutions to formulate new scientific curricula in the fields of insurance and push scientific research through the application models renewable day by day, Ability through activating and developing the actual and practical jurisprudence of this industry Several models will be available through the application for workshops, forums and conferences, and the publication of books and pamphlets to highlight the features of this unique industry These new events will further develop the areas and services of insurance and Islamic Takaful according to the wide and renewable in the fields of health insurance and Takaful (alternative to life) and others

CONCLUSION

There will undoubtedly be a great opening and development after the Islamic reinsurance industry comes into being and the unique contract rings in the comprehensive and complete Islamic finance system with a new date for the development of financial markets and the Islamic Sukuk industry on the way.

Perhaps the proposal that we prefer to recommend in this modest paper is subject to amendment, deletion and cancellation. It aims, of course, to provide a strong and capable boost in the form of a sublimation in which the group of Islamic countries and then the Islamic Development Bank Foundation and then come all the emerging reinsurance companies and of course all the insurance companies spread in Which is more widespread in each country after the number of more than 200 companies and the proposal provides the opportunity for other companies in all countries, even companies that arose in the framework of traditional companies such as Russia and China, emphasizing the neutrality of Islamic insurance services and the possibility of application in the Nations and non-Muslim communities also flew.

It was confirmed to us through the past that this expected achievement will have multiple roles and roles in the framework of the protection of Islamic finance and its institutions, but on the framework of the economies of all

Islamic countries - especially after we have indicated that it will take the form of the sovereign fund

There is no doubt that reinsurance is an important means of psychological stability for individuals and institutions and the state economy in the end, so as to achieve the protection of macroeconomic capabilities and contribute directly to reduce the risks and reduce negative results.

In a world where the culture of insurance, Islamic insurance, cooperation, solidarity and university interdependence will undoubtedly achieve many of the functions of jurisprudence renewable so as not to be subject to the past and renewed with the renewal of concepts of religion

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