

From Decentralized to Centralized Shariah Governance: A Proposal for a Central Shariah Supervisory Board in Türkiye

Merkeziyetsiz Yapıdan Merkezi Şer'i Yönetişime: Türkiye'ye Yönelik Merkezi Bir Danışma Kurulu Önerisi

Abstract: Shariah governance plays a critical role in ensuring that financial institutions operate in accordance with Islamic principles, mitigating the risk of Shariah non-compliance, and strengthening confidence in the broader Islamic finance sector. Currently, the regulatory framework in Türkiye exhibits several structural shortcomings, including the absence of a central and binding authority covering the entire sector, limited institutional scope, weak legal enforceability, insufficient transparency, and the lack of independent external audit mechanisms. Existing literature highlights significant gaps in the design of a comprehensive central advisory board model, particularly within the Turkish context. Addressing this critical gap, the present study proposes the establishment of an Asian-style Central Shariah Advisory Board (CSAB) specifically tailored to Türkiye. In this study, Türkiye's existing Shariah governance structure was comprehensively analyzed using comparative qualitative research methods, drawing insights from international standards (such as AAOIFI and IFSB) and the two-tier Malaysian governance model. The proposed centralized structure aims to ensure that all rulings and standards are strictly binding across diverse sectors—including participation banks, takaful, and fintech—while maintaining consistency with international best practices and building upon Türkiye's

Ali Can Yenice
Dr. Öğr. Üyesi,
Sakarya Üniversitesi
Assistant Professor,
Sakarya University
ayenice@sakarya.edu.tr
<https://orcid.org/0000-0002-1869-6814>

Araştırma & Yayın
Etliği/ Research &
Publication Ethics

Bu makale en az iki hakem tarafından incelenmiştir. Yayın etiği ihlalleri yazarın sorumluluğundadır.

This article has been reviewed by at least two referees. Violations of publication ethics are the responsibility of the author(s).

Atıf/Citation

Yenice, A. C. (2026). From decentralized to centralized Shariah governance: A proposal for a central Shariah supervisory board in Türkiye. *Uluslararası İslam Ekonomisi ve Finansı Araştırmaları Dergisi*, 12(2), 1–20. <https://doi.org/10.54427/ijisef.1827347>

This is an open access paper distributed under the terms and conditions of the Creative Commons Attribution-NonCommercial 4.0 International License.



accumulated local experience. By filling these institutional and legal gaps in Shariah governance, the proposed CSAB model seeks to significantly enhance investor trust in Islamic financial institutions and sustainably strengthen Türkiye's strategic aspiration to become a leading global hub for Islamic finance.

Keywords: Islamic finance, shariah governance, shariah governance framework, Türkiye

JEL Classification: G34, Z12, G21, M14.

Öz: Şer'i yönetim, İslami finansal kurumların İslami ilkelere uygun bir şekilde faaliyet göstermesini güvence altına alarak, şer'i uyumsuzluk riskini azaltmakta ve daha geniş anlamda İslami finans sektörüne duyulan güveni güçlendirmektedir. Türkiye'deki mevcut düzenleyici çerçeve; tüm sektörü kapsayan merkezi ve bağlayıcı bir otoritenin bulunmaması, kurumsal kapsayıcılığın sınırlı kalması, hukuki bağlayıcılığın zayıflığı, şeffaflığın yetersizliği ve bağımsız dış denetim mekanizmalarının eksikliği gibi çeşitli yapısal sorunlar barındırmaktadır. Literatürde, özellikle Türkiye bağlamında, kapsamlı bir merkezi danışma kurulu modelinin tasarımına ilişkin ciddi boşluklar olduğu ele alınmaktadır. Bu kritik boşluğu gidermeyi amaçlayan bu çalışma, Türkiye'ye özgü olarak uyarlanmış bir Asya tarzı Merkezi Şer'i Danışma Kurulu (CSAB) modeli tesis edilmesini önermektedir. Malezya'nın iki katmanlı merkezi çerçevesinden ve uluslararası standartlardan (AAOIFI ve IFSB gibi) ilham alınarak karşılaştırmalı nitel araştırma yöntemleriyle geliştirilen bu öneri; bağımsız bir tüzel kişiliğe sahip merkezi bir kurul olarak tasarlanmakta, ayrıca özel denetim ve mevzuat uyum birimleriyle desteklenmektedir. Bu merkezi yapı sayesinde alınan karar ve standartların katılım bankaları, tekafül ve fintek gibi alt sektörler genelinde kesin olarak bağlayıcı olması, uluslararası en iyi uygulamalarla uyum sağlanması ve Türkiye'nin sahip olduğu yerel tecrübe üzerine inşa edilmesi hedeflenmektedir. Böylelikle şer'i yönetimdeki bu kurumsal ve hukuki boşlukların doldurulması, yatırımcıların İslami finans kurumlarına duyduğu güvenin önemli ölçüde artırılması ve Türkiye'nin önde gelen küresel bir İslami finans merkezi olma stratejik hedefinin sürdürülebilir biçimde güçlendirilmesi amaçlanmaktadır.

Anahtar Kelimeler: İslami finans, şer'i yönetim, şer'i yönetim çerçevesi, Türkiye

JEL Sınıflandırması: G34, Z12, G21, M14.

İntihal/ Plagiarism

Bu makale, iThenticate yazılımı ile taranmış ve intihal tespit edilmemiştir. This article has been scanned by iThenticate and no plagiarism detected.

Introduction

Shariah governance (SG) is a critical mechanism that ensures the compliance of Islamic financial institutions (IFIs) with Shariah principles, mitigates the risk of non-compliance, and safeguards the trust and reputation of both IFIs and the broader Islamic finance industry. According to IFSB Standard No. 10 (IFSB, 2009), the SG process involves four stages: issuing shariah rulings and *fatwas*, communicating these decisions to the relevant units and monitoring their implementation daily (compliance), conducting internal shariah monitoring and auditing, and preparing an annual Shariah compliance report (external auditing). To fulfil these functions, IFIs structure their corporate governance accordingly and establish a Shariah committee. However, such committees alone cannot provide comprehensive oversight of both internal and external compliance. Therefore, various SG frameworks have been developed in international practice to reduce non-compliance risk and strengthen institutional discipline. These frameworks differ across jurisdictions, reflecting variations in financial structures, forms of government, regulatory and supervisory regimes, and even social contexts. Broadly, three types of SG frameworks are applied worldwide: Centralized, semi-centralized, and decentralized. Countries such as Malaysia, Indonesia, Brunei, and Oman have adopted centralized models, where a central Shariah board typically operates under a higher authority such as the central bank, overseeing Shariah processes across the sector (Fatmawati et al., 2022). By contrast, most Gulf countries follow decentralized models, though specific structures vary, and this decentralization has significant implications for the regulation and implementation of shariah practices (Alam, 2022; Fatmawati et al., 2022).

Although SG in Türkiye has developed rapidly in recent years (Bektaş & Yenice, 2025; Yaş & Aysan, 2023), it remains misaligned with international standards in several respects. Key obstacles include the non-binding authority of SG actors, the absence of a clear and comprehensive governance framework, weak legal enforceability, deficiencies in transparency, and the lack of independent internal and external oversight. Moreover, the current governance structure does not encompass all sectors of Islamic finance, limiting its effectiveness. The literature suggests that a centralized SG framework is particularly suitable in contexts where Islamic and conventional financial actors coexist (Alkamees, 2017/2021; Grassa, 2013), as it offers solutions to many of these challenges in Türkiye. The misalignment between Türkiye's Shariah governance framework and international standards fosters a systemic lack of trust and places the sector at a competitive disadvantage in the global Islamic finance market.

Against this backdrop, the present study proposes the establishment of a central advisory board tailored to Türkiye, drawing on the Asian model of centralized SG. To this end, the study first examines the challenges surrounding SG in Türkiye, followed by an analysis of Malaysia's framework as a point of comparison, before advancing a proposal for a central advisory board suited to the Turkish context.

The remainder of this paper is organized as follows: Section 1 presents a comprehensive literature review summarizing key gaps in the existing body of knowledge. Section 2 summarizes the comparative qualitative methodology used in the study. Section 3 presents the findings, highlights certain inconsistencies in Türkiye's SG framework compared to international standards, explains Malaysia's central model in detail, and proposes a Central

Shariah Advisory Board (CSAB) model designed specifically for Türkiye. Finally, the Conclusion offers policy recommendations to address the identified gaps.

1. Literature Review

SG, a process ensuring compliance with Islamic law within IFIs, has gained significant attention in recent years. In particular, the standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) and the Islamic Financial Services Board (IFSB) have placed this topic at the forefront of discussions among academics, practitioners, and regulatory bodies.

AAOIFI, an organization that regulates the sector by developing standards, publishes three types of guidelines: Shariah, accounting and auditing, and governance (Auditing and Governance Standards). Among these, the auditing and governance standards focus on issues related to auditing and governance, or, in other words, the components of SG. AAOIFI has placed significant emphasis on this topic, with a total of 24 standards, including 17 on governance, 6 on auditing, and ethical guidelines for Islamic finance professionals (AAOIFI, 2025). The IFSB, which develops standards more geared toward sectoral and technical applications, has published 30 standards, approximately half of which are aimed at ensuring compliance with governance, auditing, and Shariah principles (IFSB, 2025b). There are many reasons why institutions such as AAOIFI and IFSB attach such importance to this issue. Chief among these are the requirement for IFIs to operate in accordance with Islamic principles, the goal of reducing Shariah risk, and the need to protect the reputation of institutions and ensure trust (Bektaş & Yenice, 2025; Grassa, 2013; Hamza, 2013a; S. Ullah et al., 2018). When an Islamic financial institution lacks robust SG, it may offer products that do not align with Islamic principles, thereby eroding customer confidence. This risk, known as Shariah non-compliance risk, can adversely impact not only the institution in question but also the broader sector as a whole (Hamza, 2013a; Haron et al., 2022; Mu'adzah, 2022; S. Ullah et al., 2018). For this reason, robust SG is crucial for all institutions to maintain trust in IFIs.

1.1. The Shariah Governance Frameworks

The SG framework can vary significantly from country to country and region to region. As outlined in IFSB Standard No. 10, a one-size-fits-all solution is not feasible (IFSB, 2009). This variation arises from the distinct and unique financial architectures, forms of government, regulatory and supervisory frameworks, and even social structures of each country. Despite these differences, there are still some commonalities and patterns in terms of implementation.

Shariah governance frameworks are typically categorized in two ways: structurally, based on the position of Shariah authority, and according to the regulatory framework's approach. When classified by structure, there are three types of Shariah governance frameworks globally: centralized, semi-centralized, and decentralized. In countries such as Malaysia, Indonesia, Brunei, and Oman, a centralized structure is preferred. In these countries, a central Shariah Board generally operates under a higher authority, such as the Central Bank, with Shariah processes being managed by this central body (Fatmawati, et. all., 2022).

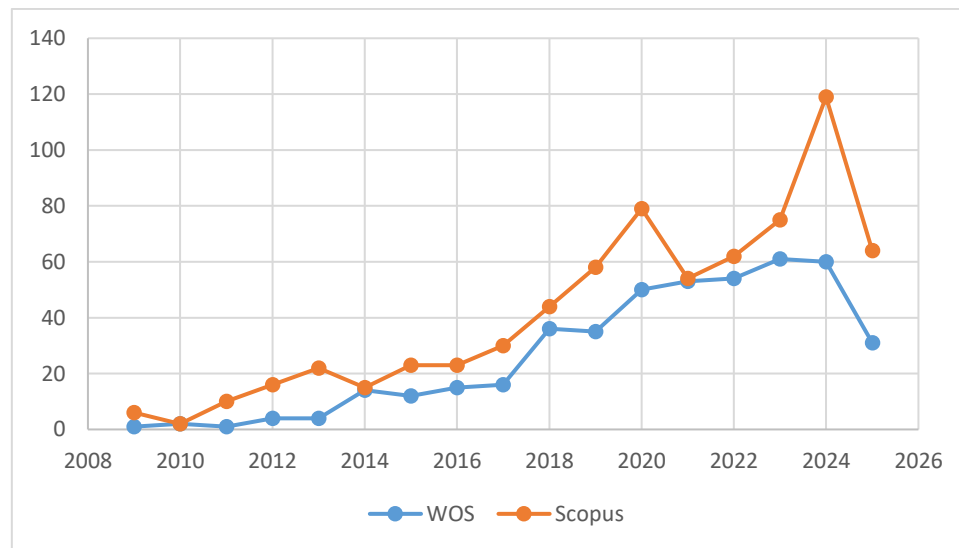
In contrast, Gulf countries usually adopt a decentralized framework, although the specific structures can vary from one country to another. This decentralization plays a key role in

shaping the regulations and procedures governing Shariah practices (Alam, 2022; Fatmawati et al., 2022).

From the perspective of the regulatory framework's approach, Shariah governance practices are generally classified into three main categories—strict, moderate, and flexible—based on criteria such as binding decisions, mandatory supervision, and compliance with standards (Fatmawati et al., 2022). Building upon this theoretical framework, the present study classifies Malaysia, Oman, Pakistan, Kuwait, and Bahrain as having a strict regulatory approach due to their comprehensive and detailed SG processes. Countries where SG is integrated with general banking regulations and exhibits some flexibility, such as the United Arab Emirates, Qatar, Indonesia, and Bangladesh, are classified as moderate. Meanwhile, countries lacking binding national-level SG regulations, specifically Saudi Arabia and Türkiye, are categorized as flexible.

Figure 1

Publications on Shariah Governance Through the Years



Note. Source: Compiled by the author using data from the Web of Science (WoS) and Scopus databases.

A search for the most prominent databases on SG reveals a rapid increase in publications, particularly since 2010. This rise can be attributed to several factors, including heightened academic interest in the subject, the expansion of regulations on Islamic governance by relevant authorities, the development of standards by organizations such as AAOIFI and IFSB, and efforts by countries to attract Islamic financial assets. Studies on SG in the literature can be classified into three main categories:

- *Corporate Governance-Based Studies:* These studies focus on IFIs, primarily Islamic banks, and examine SG as an integral component of corporate governance. They explore issues such as how the governance structures of Islamic institutions have evolved with the implementation of SG, the impact on their performance, and the influence on their human resources structure and activities (Ajili & Bouri, 2018; Bukair & Abdul Rahman, 2015; Darmadi, 2013; Fatmawati et al., 2022; Ghaemi Asl, Rashidi, Tavakkoli, & Rezgui, 2024; Grassa, 2013, 2016a; Grassa & Matoussi, 2014; Hamza, 2013; Isbah et. all., 2024; Jan et. all., 2021; Kismawadi, 2023; Lee & Isa, 2024; Nawaz, 2019; Pahlevi, 2023; Zuhroh, 2022).

- *Theoretical-Based Studies:* These studies examine SG from a theoretical standpoint. They discuss the theoretical foundations of SG for IFIs and analyze the unique SG frameworks of Asian and Gulf countries within a theoretical context. (Alnasser & Muhammed, 2012; Ayub et al., 2024; Azmat, Skully, & Brown, 2014; Çıkıryel & Zhussupov, 2025; El-Halaby & Hussainey, 2016; Faza' et al., 2024; Hamza, 2016; Handoko & Mardian, 2021; Haron et al., 2022; Minaryanti & Mihajat, 2024; Mohd Zain, et al.; Mu'adzah, 2022; Puspita & Ali, 2024; Safieddine, 2009; Sholihin et al., 2021; Tumewang et al., 2023; Wasim & Zafar, 2024).
- *Ethical and Risk-Based Studies:* These studies focus on how SG influences the risk structure and ethical issues within IFIs (Belal et al., 2015; Ginena, 2014; Rethel, 2011; Safiullah & Shamsuddin, 2019; K. Ullah et al., 2023; S. Ullah et al., 2018; Wasim & Zafar, 2024).

Although studies on shariah governance in Türkiye, particularly those focusing on the central supervisory body, are relatively limited, recent academic interest signals a growing awareness of the need for reform (Bektaş & Yenice, 2025).

1.2. Shariah Governance in Türkiye

Studies on SG in Türkiye can generally be grouped under three main categories:

- *Compliance with international standards:* Existing research highlights the incompatibility between Türkiye's shariah governance framework and AAOIFI as well as IFSB standards. As Türkiye's Islamic governance mechanism is still in the process of development and has not yet achieved full alignment with these international benchmarks, it lacks the capacity to secure a competitive advantage in the global market and to position itself as a leading hub for Islamic finance (Ağkan, 2018; Bal & Umut, 2023; Güney, 2015; Karacaer, 2023; Kartal, 2019; Yelsiz & Yurtseven, 2024).
- *Shariah governance actors, problems, and solutions:* Since the framework for Shariah governance in Türkiye has not yet been clearly defined, numerous governance challenges have emerged. These challenges carry sector-wide implications, most notably the risk of Shariah non-compliance, which could undermine confidence in the Islamic finance industry. Existing studies in this area identify the key problems encountered by governance actors and practices and propose various recommendations for their resolution (Aydın, 2024; Bektaş & Yenice, 2022, 2025; Boğaz, 2022; Tekdoğan, Yenice, & Burgazoğlu, 2024; Tekin et. al., 2023; Yaş, 2023; Yılmaz & Şencal, 2022).
- *Shariah governance framework:* The least examined area in literature is the Shariah governance framework itself. While existing studies on Türkiye do not directly analyze this framework, they generally suggest that establishing a central advisory board would be appropriate (Bektaş & Yenice, 2022, 2025; Esen & Karabacak, Yaş & Aysan, 2023;; Yurtseven, 2023). The scarcity of research on this topic provides the main impetus for this article.

This study fills this gap by proposing a centralized model adapted from the Asian framework. Collectively, the operational challenges and legal uncertainties inherent in the current Turkish system underscore the critical need for a central Shariah authority to ensure standardization and enhance enforceability across the sector.

2. Method

This study aims to analyze Türkiye's shariah governance system in comparison with international standards using a comparative qualitative research design. Comparative research involves systematically identifying similarities and differences by examining practices, policies, or phenomena across different contexts. This approach allows the researcher to assess two or more examples based on specific characteristics. In this context, Türkiye's shariah governance practices are compared with international institutional frameworks, such as AAOIFI and IFSB standards. Additionally, building on existing literature regarding the shariah governance model in Malaysia, the current financial structures and managerial differences between the two countries are analyzed (Fatmawati et al., 2022; Grassa, 2016).

The research was conducted using the document analysis method, which involves analyzing documents obtained from both the literature and national and international legislation. This method was applied through an in-depth review of existing legal texts, regulatory reports, official documents, and financial reports relevant to shariah governance (Creswell, 2014/2017; Yin, 2009).

Particularly, reports by the Participation Banks Association of Türkiye (PBAT) and strategy documents by the Presidency of the Republic of Türkiye Finance Office (CBFO) were closely examined to identify weaknesses in the current system. The comparison with the Malaysian model aimed to provide insights into how the centralization approach in shariah governance could be adapted to Türkiye. The literature on Malaysia's Shariah governance model was examined by comparing it with Türkiye's current structure, focusing on key criteria such as legal enforceability, independence, and sectoral coverage (Alkhamees, 2017/2021; Hasan, 2010).

3. Findings and Discussion

3.1. Shariah Governance in Türkiye and International Standards

SG, which ensures that the operations of IFIs comply with Islamic principles, is a comprehensive framework encompassing fatwa issuance, compliance auditing, reporting, and oversight processes, as outlined in international standards such as those of AAOIFI and IFSB. In international literature, SG frameworks differ according to the institutional, legal, and cultural contexts of each country, and it is generally not expected that a single model can be uniformly applied across all jurisdictions (AAOIFI, 2025; IFSB, 2009). However, two primary SG frameworks are widely used worldwide: centralized and decentralized models. Türkiye is currently moving towards a centralized approach. In this context, after identifying the elements of Türkiye's centralizing SG structure that do not align with international standards, an Asian-style SG model will be presented to address these shortcomings, culminating in a framework tailored specifically to Türkiye.

Firstly, according to relevant international standards, countries may implement SG through either central Shariah boards or institution-based Shariah supervisory boards. A single model is not mandated; rather, it is recommended that each jurisdiction establish structures suited to its specific legal and institutional context (AAOIFI, 2017; IFSB 2009, 2025a).

Table 1

Misalignments in Türkiye's Shariah Governance

Area/Element	Requirement in International Standards (AAOIFI, IFSB)	Current Situation in Türkiye	Point of Misalignment
<i>Central Authority</i>	Existence of a central Shariah board with binding decisions covering the entire sector (AAOIFI, 2017; IFSB, 2009)	PBAT Advisory Board covers only participation banks	No central board with binding authority for the entire sector
<i>Scope</i>	Inclusion of all Islamic finance actors (banks, takaful, fintech, etc.) (IFSB, 2009, 2025a)	Excludes savings finance companies, fintech, takaful, etc.	Governance gaps and inconsistent practices
<i>Legal Enforceability</i>	Governance supported by legally binding regulations (IFSB, 2009, 2025a)	Existing documents (e.g., PBAT principles) lack legal enforceability	Absence of a comprehensive and binding legal framework
<i>Independence</i>	Decisions not subject to management approval; avoidance of conflicts of interest (AAOIFI, 2005, 2008, 2017, 2019a, 2019b)	PBAT decisions subject to PBAT management approval	Compromised independence and increased conflict of interest risk
<i>Transparency</i>	Public disclosure of decisions and non-compliance cases (IFSB, 2025a)	Decisions submitted to PBAT but not publicly disclosed	Lack of transparency
<i>External Shariah Audit</i>	Existence of an independent external audit mechanism (IFSB, 2009, 2025a)	Only internal audit exists; no external audit	Absence of external audit
<i>Member Appointment and Diversity</i>	Members to meet diversity and independence criteria; workload limits for members (AAOIFI, 1997a, 2017; IFSB, 2009)	Some members serve on multiple boards; new members selected by dominant existing members	Weak independence and pluralism
<i>Independent (Non-institutional) Shariah Committees</i>	Subject to regulation and supervision; adherence to ethical standards (IFSB, 2009, 2025a)	Non-bank committees not regulated; risk of "fatwa shopping"	Ethical risks and lack of oversight

Note. Source: Author(s).

Table 1 summarizes the key areas in which Türkiye's SG framework diverges from AAOIFI and IFSB standards. Major gaps include the absence of a central Shariah authority with the mandate to issue binding rulings for all Islamic finance institutions—prompting this study's proposal for an Asian-style Central Shariah Supervisory Board (AAOIFI, 1997; IFSB, 2009). Other shortcomings are the framework's limited sectoral scope, which excludes institutions such as takaful providers, fintech firms, and savings finance companies, and

the lack of a comprehensive legal framework to ensure enforceability. Requiring management approval for Shariah board decisions compromises independence, while the failure to disclose rulings and instances of non-compliance undermines transparency. In addition, the absence of an independent external audit mechanism, insufficient diversity and independence in board appointments, and the unregulated status of non-institutional Shariah committees—creating risks such as "fatwa shopping"—all weaken governance effectiveness and hinder alignment with international best practices.

To overcome these challenges, the proposed solution, inspired by the Malaysian model, suggests the establishment of a Central Shariah Advisory Board (CSAB) that will operate as an independent institution responsible for issuing standards and decisions for all Islamic financial institutions in Türkiye. This centralized structure will enhance the legal enforceability of decisions, ensure consistency across sectors, and increase investor confidence. The inclusion of an audit unit within the CSAB will further strengthen supervision and ensure compliance with both Shariah principles and national regulations.

From a literature perspective, this proposal aligns with the growing academic support for centralized Shariah governance frameworks in countries with dual financial systems, such as Malaysia, where both conventional and Islamic banks coexist (Alkhamees, 2017/2021; Grassa, 2013; Hasan, 2010). It has been shown that such models reduce the risk of Shariah non-compliance, which could undermine the credibility and stability of the Islamic finance sector (Grassa, 2016). Furthermore, research highlights the importance of legal enforceability and independent auditing in the development of a reliable and effective Shariah governance framework (AAOIFI, 2017; IFSB, 2009). These elements are crucial for Türkiye's efforts to integrate Islamic finance more seamlessly into its broader financial system and position itself as a competitive player in the global Islamic finance market.

3.2. Asian-Style Central Shariah Advisory Board

Alkhamees (2017/2021) emphasizes that a Central Shariah Advisory Board can enhance a country's SG through a proactive approach. This, he argues, derives from the Board's role as the final authority on Shariah matters nationwide and its capacity to enforce strict oversight. In such a system, the sector is monitored to prevent Shariah non-compliance before it occurs, thereby ensuring a pre-emptive rather than reactive mode of governance. However, this framework—commonly referred to in the literature as the Asian model—has been adopted not only by Malaysia, Indonesia, and Brunei, but also by countries such as Sudan and Pakistan (Grassa, 2013, 2016; Grassa & Matoussi, 2014; Hamza, 2013). This study will examine the Asian model of SG with Malaysia as the primary case, given its role in exporting SG practices to other countries (Rudnycky, 2018/2021). Another reason for adopting the Malaysian Central Shariah Supervisory model is that Malaysia operates a dual financial system, comprising both conventional and Islamic institutions. In practice, the sector is dominated by conventional finance. Since Türkiye faces a similar landscape, Malaysia's approach has been considered the most relevant model. An even more compelling reason is Malaysia's success in integrating Islamic finance within a legal system that is not rooted in Shariah law. Malaysia follows a common law tradition, and while it maintains separate courts for secular and Islamic matters, these institutions operate in a coordinated and integrated manner (Alkhamees, 2017/2021).

3.2.1. Central Shariah Supervisory Board in Malaysia

Malaysia has one of the most advanced SG frameworks globally. At the national level, two Shariah councils play a central role: the Shariah Advisory Council of Bank Negara Malaysia, which serves as the country's central bank, and the Shariah Advisory Council of the Securities Commission Malaysia (Hasan, 2010).

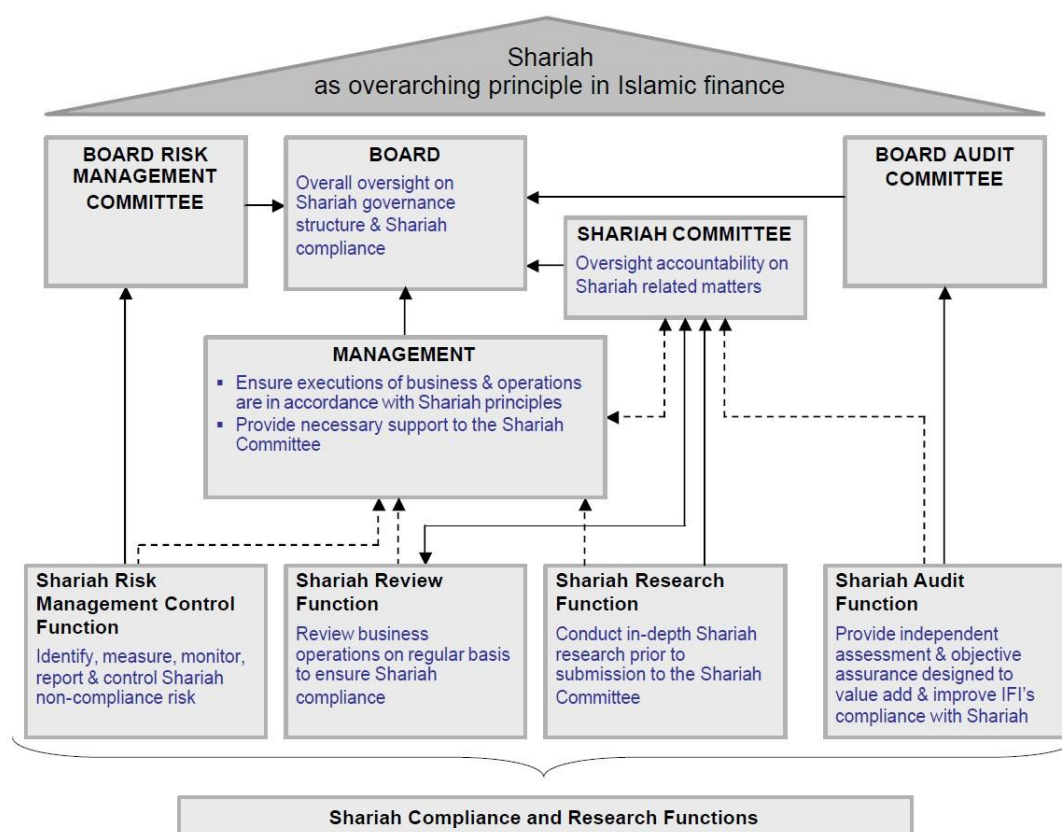
Bank Negara Malaysia (BNM) established the Shariah Advisory Council (SAC) in 1997 as the highest authority on Shariah matters for IFIs. Under the Central Bank of Malaysia Act 2009, the SAC was formally designated as the sole body responsible for determining the application of Islamic law in relation to Islamic financial activities regulated and supervised by BNM (Alkhamees, 2017/2021; BNM, 2025). Additionally, the same law requires that any Shariah issues brought before the courts or raised in arbitration be referred to the SAC, thereby ensuring legal clarity and certainty.

The other body, the Shariah Advisory Council of the Securities Commission Malaysia, was created on May 16, 1996. Under the Securities Commission Malaysia Act 1993, it serves as the authority responsible for applying and verifying Shariah principles in Islamic capital market activities and transactions. Although there are two councils, their mandates are distinct. The SAC of BNM primarily oversees the banking and Islamic finance sectors, while the Shariah Advisory Council of the Securities Commission focuses on the capital markets. To promote consistency in their rulings, both councils are often composed of overlapping members. Among them, BNM's SAC is regarded as the supreme authority for the Islamic finance sector (BNM, 2025).

The SG framework in Malaysia, introduced by BNM in 2009, is based on a two-tier structure. At the national level, the Central Shariah Advisory Council of BNM serves as the highest authority, while each Islamic financial institution is required to establish its own Shariah Committee. This arrangement ensures that all IFIs operate in full compliance with Shariah principles, with oversight exercised both centrally and at the institutional level (BNM, 2009).

As shown in Figure 2, responsibility for shariah compliance rests not only with the shariah committee but also with the board of directors, which holds ultimate governance accountability. A shariah committee on its own, however, is not sufficient to guarantee compliance. Supporting functions—such as shariah monitoring, shariah risk management, and shariah research—collectively form the Shariah compliance and research function, providing additional checks and expertise. With these mechanisms in place, the board of directors can confidently affirm that the institution operates in accordance with Shariah principles. At the same time, a central advisory council issues binding rules and principles that guide both individual institutions and the wider sector. Compliance with the shariah principles is therefore ensured through a combination of internal mechanisms and external oversight.

Figure 2
Shariah Governance Framework in Malaysia



Note. Source: BNM (2009).

In 2019, BNM issued the Shariah Governance Policy, which builds upon and expands the earlier SG framework. The policy seeks to ensure that SG is not treated merely as a legal requirement but embedded as an institutional value. For this culture to take root, it must be embraced by all levels of staff—from senior management to front-line employees—integrated into internal processes, and reinforced through continuous communication (BNM, 2019). It is the responsibility of the board of directors to ensure that Shariah compliance is embedded at every level of the institution. This requires a top-down approach in which corporate culture—namely, a culture that embraces the application of Islamic principles across all operations—is driven from leadership and cascaded throughout the organization. Management must recognize that Shariah compliance is not merely a legal obligation but also an ethical and moral responsibility of the bank. To foster this culture, employees at all levels should be educated on Shariah compliance and their awareness continuously enhanced. The centralized Shariah governance model in Malaysia is regarded as best practice, particularly in regions where traditional and Islamic financial systems coexist. Scholars such as Grassa (2013) and Alkhamees (2017/2021) have highlighted the significance of a strong central Shariah authority to minimize regulatory inconsistencies and ensure the consistent application of Islamic principles across the financial sector. Additionally, BNM (2019) emphasizes that Shariah compliance is not only a legal requirement but also a moral and ethical obligation that must be upheld at all levels of an institution. This principle is further reinforced by a two-tiered structure, where both the central board and individual institutions are held accountable for ensuring compliance.

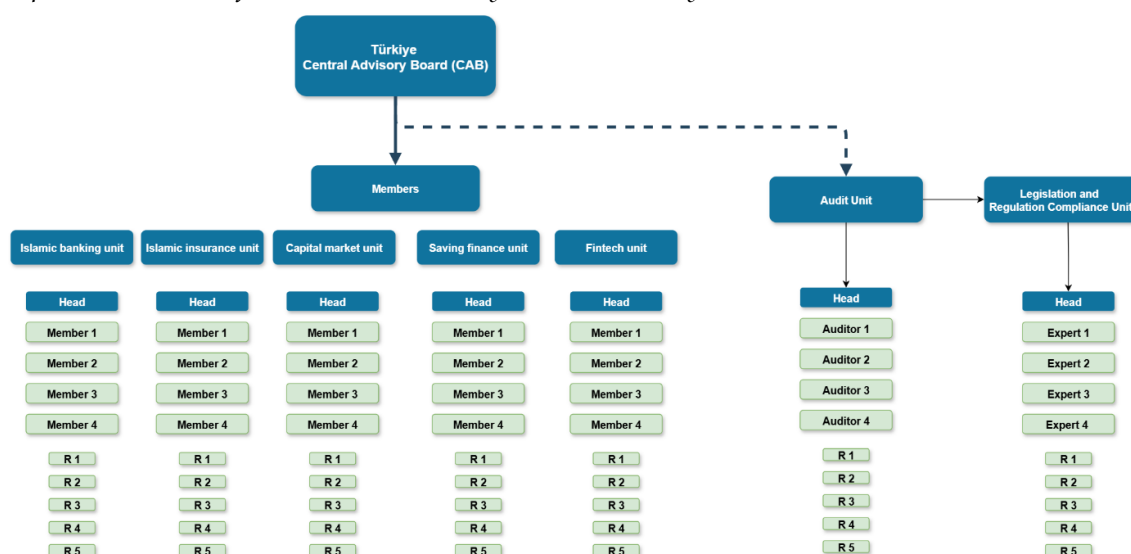
3.2.2. Towards a Central Shariah Supervisory Board in Türkiye

The challenges associated with SG in Türkiye, as outlined in Table 1, along with insights from both national and international literature, underscore the need for centralization within Türkiye's SG framework. This centralization would not only enhance Türkiye's position in its goal to become a global hub for Islamic finance but also give it a competitive edge in the international Islamic finance sector. Furthermore, the strategy document issued by the relevant public authority reinforces the importance of centralizing SG (CBFO, 2022). In this section, we propose a centralized SG framework tailored to Türkiye's Islamic finance sector, drawing on the two-tier centralized advisory board structure used in Malaysia. This framework is designed not only to address the SG challenges identified in Türkiye but also to build on the country's existing experience and accumulated knowledge in the field.

3.2.3. Principles for Establishing a Central Shariah Supervisory Board

In establishing a CSAB tailored to Türkiye, it is essential to follow a set of principles that reflect the country's specific context. The principles underlying the proposed model are as follows (Bektaş & Yenice, 2022, 2025; Yenice & Bektaş, 2022b):

- Every Islamic or interest-free financial institution shall establish a shariah committee.
- All Shariah committees will be required to comply with the rulings of the CSAB.
- The Advisory Board of the PBAT, which has served as the supreme advisory body for Islamic banks in the country, shall be incorporated into the CSAB, and the standards and decisions it has developed will be duly recognized.
- The CSAB should be composed of sectoral units, with the head of each unit serving as a full member of the Board. These units would include participation banks (or Islamic banking divisions), Islamic insurance (takaful) entities, Islamic capital market institutions, savings finance companies, fintech providers, and similar actors.
- Each unit shall consist of no fewer than five members.
- The CSAB, together with the relevant sectoral units, shall issue standards and rulings in response to industry needs.
- All standards and rulings issued by the CSAB shall be binding on all IFIs.
- An Audit Unit should be established within the CSAB, composed of Shariah compliance auditors.
- Shariah compliance auditors shall be responsible for auditing the compliance departments of individual institutions as well as the overall activities of all IFIs.
- A Legislation and Regulation Compliance Unit should also be created within the CSAB to ensure that all standards and rulings are reviewed for consistency with existing laws and regulations prior to their issuance.

Figure 3*Proposed Structure of the Central Advisory Board in Türkiye*

Note. Source: Author(s). Info: R means researcher.

In the model proposed for Türkiye —adapted from the two-tier structure applied in Malaysia—the CSAB functions as an umbrella institution responsible for issuing standards and rulings applicable across all sectors, as well as ensuring supervision and compliance. While the CSAB provides sector-wide oversight, IFIs are also required to establish internal Shariah committees to monitor their own Shariah compliance, in line with the principles of the two-tier model.

Each sectoral unit within the CSAB consists of at least five members, and the head of each unit serves as a full member of the CSAB. Thus, CSAB membership represents the entirety of the Islamic finance industry in Türkiye. The process of developing regulatory texts follows a structured procedure: standards and decisions are first drafted and approved at the unit level, then reviewed by the Legislation and Regulation Compliance Unit. Once confirmed for consistency with national laws and regulations, the texts are submitted to the CSAB for final approval and subsequently published.

To safeguard independence and neutrality, the CSAB should not operate under any existing organization. Instead, it must be established as a fully independent and separate legal entity. Furthermore, the appointment and dismissal of CSAB members should follow the best international practices and standards of SG.

Conclusion and Policy Recommendations

The study has shown that Türkiye's current SG framework suffers from significant shortcomings when measured against international standards. The absence of a binding central authority, limited sectoral coverage, weak legal enforceability, insufficient transparency, and the lack of independent external oversight mechanisms undermine confidence in the system and constrain the development of the Islamic finance sector. These deficiencies also weaken Türkiye's aspiration to position itself as a global financial hub, particularly through the Istanbul Financial Center. A comparative assessment of Malaysia's two-tier centralized model demonstrates that the establishment of a CSAB could address these weaknesses and align Türkiye's SG with international benchmarks. Designed as an

independent legal entity, incorporating representatives from all sub-sectors and supported by specialized audit and regulatory compliance units, such a body would enhance binding authority, consistency, transparency, and independence. In doing so, it would not only strengthen the foundations of Türkiye's Islamic finance industry but also provide the country with a competitive advantage in the global Islamic finance arena.

This proposal bridges the gap between Türkiye's limited literature on SG and global expectations by advancing a model inspired by international best practices yet adapted to local realities, thereby offering a distinctive contribution. By addressing the shortcomings of Türkiye's current flexible governance structure, the proposed framework has the potential to enhance confidence, attract greater investor interest, and strengthen the sector's long-term competitiveness. The following policy recommendations should be taken into account for the implementation of the proposed model and its effective application by the relevant stakeholders:

- The CSAB should be established by law as an independent legal entity with binding decision-making authority over all interest-free financial institutions. A statutory basis would ensure the institution's independence from political influence and reinforce its credibility.
- The CSAB's jurisdiction should extend to all Islamic finance actors, including participation banks, *takaful* companies, capital market institutions, fintech providers, savings finance companies, and asset management institutions. Its rulings should be binding across these sectors to guarantee uniformity and consistency.
- The current Advisory Board of the PBAT should be integrated into the CSAB to avoid duplication of functions and to ensure that the standards and decisions already in place remain valid and operational.
- Members of the CSAB should be appointed through transparent, merit-based procedures, with restrictions on multiple board memberships. Strict rules must be established to prevent conflicts of interest, while both internal and external auditing mechanisms should be institutionalized to uphold accountability and compliance.
- All decisions, guidelines, and cases of non-compliance issued by the CSAB should be publicly disclosed. To strengthen credibility, clear sanctions for Shariah non-compliance must be established and consistently applied.
- In addition to internal audits, an independent external audit mechanism should be institutionalized, conducted by CSAB-appointed auditors, to provide sector-wide oversight and enhance accountability.
- Fatwas, rulings, and standards constitute the foundation of SG. To consolidate these elements, a comprehensive SG policy should be formulated under the leadership of the CSAB. This policy document should set out a strategic framework for strengthening SG over the short, medium, and long term.
- In dual systems where conventional and Islamic finance actors coexist, legal compliance presents particular challenges. To address this, a dedicated "Legislation and Regulation Compliance Unit" should be established within the CSAB to ensure that its decisions are fully consistent with the national legal framework.
- Enhancing Islamic finance education and public awareness should be among the CSAB's core functions. A substantial portion of its annual budget should be allocated to training programs, educational initiatives, and research projects aimed at strengthening the human capital and institutional foundations of the sector.

References

- AAOIFI. (1997). *Governance standard no. 1: Shari'a supervisory board – Appointment, composition and report*.
- AAOIFI. (2005). *Governance standard no. 6: Statement on governance principles for Islamic financial institutions*
- AAOIFI. (2008). *Governance standard No. (5)—Independence of Shari'a Supervisory Board*. Accounting and Auditing Organization for Islamic Financial Institutions.
- AAOIFI. (2017). *Governance standard No. (8)—Central Shari'ah Board*. Accounting and Auditing Organization for Islamic Financial Institutions.
- AAOIFI. (2019a). *Governance standard No. (9)—Shari'ah Compliance Function*. Accounting and Auditing Organization for Islamic Financial Institutions.
- AAOIFI. (2019b). *Governance standard no. 10: Shari'ah compliance and fiduciary ratings for IFIs*.
- AAOIFI. (2025). AGEB Standards. Retrieved June 10, 2025, from <https://aaoifi.com/ageb-separated/?lang=en>
- Ağkan, F. (2018). AAOIFI standartları ve Türkiye katılım bankalarında uygulanabilirliği [AAOIFI standards and their applicability in Turkish participation banks]. *Anemon Muş Alparslan Üniversitesi Sosyal Bilimler Dergisi*, 6(2), 235–245. <https://doi.org/10.18506/anemon.349866>
- Ajili, H., & Bouri, A. (2018). Corporate governance quality of Islamic banks: Measurement and effect on financial performance. *International Journal of Islamic and Middle Eastern Finance and Management*, 11(3), 470–487. <https://doi.org/10.1108/IMEFM-05-2017-0131>
- Alam, Md. K. (2022). A proposed centralized Shariah governance framework for Islamic banks in Bangladesh. *Journal of Islamic Accounting and Business Research*, 13(2), 364–389. <https://doi.org/10.1108/JIABR-03-2021-0106>
- Alkamees, A. A. (2021). *İslami finans endüstrisinde yaratıcı şer'i uygunluğun analizi* [Analysis of creative Shariah compliance in the Islamic finance industry] (S. Karadoğan, Trans.). Albaraka Yayınları. (Original work published 2017).
- Alnasser, S. A. S., & Muhammed, J. (2012). Introduction to corporate governance from Islamic perspective. *Humanomics*, 28(3), 220–231. <https://doi.org/10.1108/08288661211258110>
- Aydın, N. (2024). Katılım finans uygulamalarında şer'î uyumsuzluk riski ve Türkiye'de şer'î yönetim: Aktörler, problemler ve çözüm arayışları [Shariah non-compliance risk in participation finance practices and Shariah governance in Türkiye: Actors, problems, and search for solutions]. *International Journal of Islamic Economics and Finance Studies*, 10(1), 24–44. <https://doi.org/10.54427/ijisef.1434105>
- Ayub, M., Hassan, M. K., & Saba, I. (2024). Revisiting the paradigm of Shari'ah governance of Islamic financial institutions. *Journal of Islamic Accounting and Business Research*, 15(8), 1245–1265. <https://doi.org/10.1108/JIABR-04-2022-0110>
- Azmat, S., Skully, M., & Brown, K. (2014). Issuer's choice of Islamic bond type. *Pacific-Basin Finance Journal*, 28, 122–135. <https://doi.org/10.1016/j.pacfin.2013.08.008>

- Bal, Ç., & Umut, M. (2023). Uluslararası standartlar (AAOIFI ve IFSB) çerçevesinde kurumsal yönetim [Corporate governance within the framework of international standards (AAOIFI and IFSB)]. *Journal of Banking and Financial Research*, 10(2), 84–99. <https://doi.org/10.55026/jobaf.1213083>
- Bektaş, İ., & Yenice, A. C. (2022). Shariah governance in Turkey: A case study on in-bank advisory committees. *Sakarya Üniversitesi İlahiyat Fakültesi Dergisi (SAUIFD)*, 24(45), 30–60. <https://doi.org/10.17335/sakaifd.1067325>
- Bektaş, İ., & Yenice, A. C. (2025). Exploring Shariah Governance Mechanism in Türkiye. *Turkish Journal of Islamic Economics*, 12(1), 71–109. <https://doi.org/10.26414/A4161>
- Belal, A. R., Abdelsalam, O., & Nizamee, S. S. (2015). Ethical Reporting in Islami Bank Bangladesh Limited (1983–2010). *Journal of Business Ethics*, 129(4), 769–784. <https://doi.org/10.1007/s10551-014-2133-8>
- BNM. (2009). *Guidelines on Shariah governance framework for Islamic financial institutions*. https://www.bnm.gov.my/documents/20124/761709/02_Shariah_Governance_Framework_20101026.pdf
- BNM. (2019). *Shariah governance*. <https://www.bnm.gov.my/documents/20124/761679/Shariah+Governance+Policy+Document+2019.pdf>
- BNM. (2025). *Shariah Advisory Council of Bank Negara Malaysia*. <https://www.bnm.gov.my/committees/sac>
- Boğaz, R. (2022). *Katılım bankalarında şer'i uyum fonksiyonu ve uygulamada yaşanan problemler: Türkiye örneği* [Shariah compliance function and practical problems in participation banks: The case of Türkiye] [Master's thesis, İstanbul Sabahattin Zaim Üniversitesi]. YÖK Ulusal Tez Merkezi.
- Bukair, A. A., & Abdul Rahman, A. (2015). Bank performance and board of directors attributes by Islamic banks. *International Journal of Islamic and Middle Eastern Finance and Management*, 8(3), 291–309. <https://doi.org/10.1108/IMEFM-10-2013-0111>
- Presidency of the Republic of Türkiye Finance Office. (2022). *Katılım finans strateji belgesi 2022-2025 bütüncül dönüşüm* [Participation finance strategy document 2022-2025: Holistic transformation]. <https://www.resmigazete.gov.tr/eskiler/2022/10/20221005-8.pdf>
- Çıkıryel, B., & Zhussupov, R. (2025). Effective Shari'ah governance: A catalyst for Central Asian Islamic finance. *Manchester Journal of Transnational Islamic Law & Practice*, 21(1), 309–316.
- Creswell, J. W. (2017). *Araştırma deseni: Nitel, nicel ve karma yöntem yaklaşımları* [Research design: Qualitative, quantitative, and mixed methods approaches] (M. Bütün & S. B. Demir, Trans.). Eğiten Kitap. (Original work published 2014).
- Darmadi, S. (2013). Corporate governance disclosure in the annual report: An exploratory study on Indonesian Islamic banks. *Humanomics*, 29(1), 4–23. <https://doi.org/10.1108/08288661311299295>

- El-Halaby, S., & Hussainey, K. (2016). Determinants of compliance with AAOIFI standards by Islamic banks. *International Journal of Islamic and Middle Eastern Finance and Management*, 9(1), 143–168. <https://doi.org/10.1108/IMEFM-06-2015-0074>
- Esen, A., & Karabacak, S. (2014). National Shariah boards: Global applications and the case of Turkey. *Afro Eurasian Studies Journal*, 3(2), 5–16. <https://dergipark.org.tr/en/download/article-file/700407>
- Fatmawati, D., Ariffin, N. Mohd., Abidin, N. H. Z., & Osman, A. Z. (2022). Shariah governance in Islamic banks: Practices, practitioners and praxis. *Global Finance Journal*, 51, Article 100555. <https://doi.org/10.1016/j.gfj.2020.100555>
- Faza', M., Badwan, N., & Hamdan, M. (2024). Determinants of effective Shariah compliance auditing in Palestine: A theoretical and conceptual analysis. *Journal of Money Laundering Control*, 27(5), 845–857. <https://doi.org/10.1108/JMLC-08-2023-0132>
- Ghaemi Asl, M., Rashidi, M. M., Tavakkoli, H. R., & Rezgui, H. (2024). Does Islamic investing modify portfolio performance? Time-varying optimization strategies for conventional and Shariah energy-ESG-utilities portfolio. *The Quarterly Review of Economics and Finance*, 94, 37–57. <https://doi.org/10.1016/j.qref.2023.12.010>
- Ginena, K. (2014). Shari'ah risk and corporate governance of Islamic banks. *Corporate Governance*, 14(1), 86–103. <https://doi.org/10.1108/CG-03-2013-0038>
- Grassa, R. (2013). *Shariah* supervisory system in Islamic financial institutions: New issues and challenges: a comparative analysis between Southeast Asia models and GCC models. *Humanomics*, 29(4), 333–348. <https://doi.org/10.1108/H-01-2013-0001>
- Grassa, R. (2016). Corporate governance and credit rating in Islamic banks: Does Shariah governance matter? *Journal of Management & Governance*, 20(4), 875–906. <https://doi.org/10.1007/s10997-015-9322-4>
- Grassa, R., & Matoussi, H. (2014). Corporate governance of Islamic banks: A comparative study between GCC and Southeast Asia countries. *International Journal of Islamic and Middle Eastern Finance and Management*, 7(3), 346–362. <https://doi.org/10.1108/IMEFM-01-2013-0001>
- Güney, N. (2015). İslami finansta şer'i yönetim uygulamaları ve konuyla ilgili tartışmalara genel bir bakış [Shariah governance practices in Islamic finance and a general overview of related debates]. *Turkish Journal of Islamic Economics*, 2(2), 45–69. <https://doi.org/10.15238/tujise.2015.2.2.45-69>
- Hamza, H. (2013). Sharia governance in Islamic banks: Effectiveness and supervision model. *International Journal of Islamic and Middle Eastern Finance and Management*, 6(3), 226–237. <https://doi.org/10.1108/IMEFM-02-2013-0021>
- Hamza, H. (2016). Does investment deposit return in Islamic banks reflect PLS principle? *Borsa Istanbul Review*, 16(1), 32–42. <https://doi.org/10.1016/j.bir.2015.12.001>
- Handoko, L. H., & Mardian, S. (2021). Mapping the knowledge of Islamic accounting studies on Shariah audit: A bibliometric analysis. *Library Philosophy and Practice (e-journal)*, Article 4921. <https://digitalcommons.unl.edu/libphilprac/4921>

- Haron, R., Othman, M., Fakhrunnas, F., & Nomran, N. M. (2022). Shari'ah governance of Islamic banks: The role of Shari'ah supervisory board - A bibliometric analysis. *IIUM Law Journal*, 30(S2), 129–278. <https://doi.org/10.31436/iiumlj.v30iS2.766>
- Hasan, Z. (2010). Regulatory framework of Shari'ah governance system in Malaysia, GCC countries and the UK. *Kyoto Bulletin of Islamic Area Studies*, 3(2), 82–115.
- IFSB. (2009). *Guiding principles on Shariah governance systems for institutions offering Islamic financial services* (IFSB-10). https://www.ifsb.org/wp-content/uploads/2023/10/IFSB-10-December-2009_En.pdf
- IFSB. (2025a). *IFSB-31: Guiding principles for effective supervision of Shariah governance*.
- IFSB. (2025b). *Standards*. <https://www.ifsb.org/standards-page/>
- Isbah, F., Yuliana, R., & Herawati, N. (2024). Islamic corporate governance: A three decade bibliometric analysis. In *ICAF Proceeding of International Conference on Accounting and Finance*, 2, 63–82.
- Jan, A. A., Lai, F.-W., & Tahir, M. (2021). Developing an Islamic Corporate Governance framework to examine sustainability performance in Islamic Banks and Financial Institutions. *Journal of Cleaner Production*, 315, 128099. <https://doi.org/10.1016/j.jclepro.2021.128099>
- Karacaer, B. (2023). Türkiye'de faaliyet gösteren faizsiz finans kurumlarının yönetim uygulamalarına yönelik bir araştırma [A research on the governance practices of interest-free financial institutions operating in Turkey]. *Abant Sosyal Bilimler Dergisi*, 23(3), 1680–1705. <https://doi.org/10.11616/asbi.1328424>
- Kartal, M. T. (2019). Katılım bankacılığında danışma komiteleri: Faizsiz bankacılık ilke ve standartlarına uyuma ilişkin tebliği üzerine bir inceleme [Advisory committees in participation banking: A review on the communique regarding compliance with interest-free banking principles and standards]. *Journal of International Banking Economy and Management Studies*, 2(2), 93–108. <https://dergipark.org.tr/tr/pub/ubeyad/article/629346>
- Kismawadi, E. R. (2025). Improving Islamic bank performance through agency cost and dual board governance. *Journal of Islamic Accounting and Business Research*, 16(3), 461–483. <https://doi.org/10.1108/JIABR-01-2023-0035>
- Lee, S. P., & Isa, M. (2024). Corporate sustainability practices and financial performance: The moderating role of corporate controversies and Shariah screening. *Corporate Social Responsibility and Environmental Management*, 31(4), 3651–3667. <https://doi.org/10.1002/csr.2763>
- Minaryanti, A. A., & Mihajat, M. I. S. (2024). A systematic literature review on the role of sharia governance in improving financial performance in sharia banking. *Journal of Islamic Accounting and Business Research*, 15(4), 553–568. <https://doi.org/10.1108/JIABR-08-2022-0192>
- Mohd Zain, F. A., Muhamad, S. F., Abdullah, H., Sheikh Ahmad Tajuddin, S. A. F., & Wan Abdullah, W. A. (2024). Integrating environmental, social and governance (ESG) principles with Maqasid al-Shariah: A blueprint for sustainable takaful operations.

- International Journal of Islamic and Middle Eastern Finance and Management*, 17(3), 461–484. <https://doi.org/10.1108/IMEFM-11-2023-0422>
- Mu'adzah, N. (2022). Systematic Review on Sharia Supervisory Board in Islamic Banking. *Ekonomi Islam Indonesia*, 4(2). <https://doi.org/10.58968/eii.v4i2.134>
- Nawaz, T. (2019). Exploring the Nexus Between Human Capital, Corporate Governance and Performance: Evidence from Islamic Banks. *Journal of Business Ethics*, 157(2), 567–587. <https://doi.org/10.1007/s10551-017-3694-0>
- Pahlevi, R. W. (2023). Mapping of Islamic corporate governance research: A bibliometric analysis. *Journal of Islamic Accounting and Business Research*, 14(4), 538–553. <https://doi.org/10.1108/JIABR-12-2021-0314>
- Puspita, A. T., & Ali, M. M. (2024). Review on Shariah Supervisory Board Studies using Bibliometrix. *Maqasid Al-Shariah Review*, 2(2). <https://doi.org/10.58968/msr.v2i2.345>
- Rethel, L. (2011). Whose legitimacy? Islamic finance and the global financial order. *Review of International Political Economy*, 18(1), 75–98. <https://doi.org/10.1080/09692290902983999>
- Rudnycky, D. (2021). *Borcun ötesinde küresel finansta İslami deneyimler [Beyond debt: Islamic experiments in global finance]* (Ö. F. Tekdoğan, Trans.). Albaraka Yayınları. (Original work published 2018).
- Safieddine, A. (2009). Islamic Financial Institutions and Corporate Governance: New Insights for Agency Theory. *Corporate Governance: An International Review*, 17(2), 142–158. <https://doi.org/10.1111/j.1467-8683.2009.00729.x>
- Safiullah, M., & Shamsuddin, A. (2019). Risk-adjusted efficiency and corporate governance: Evidence from Islamic and conventional banks. *Journal of Corporate Finance*, 55, 105–140. <https://doi.org/10.1016/j.jcorpfin.2018.08.009>
- Sholihin, M., Ali, R., & Wanto, D. (2021). Shariah Compliance in Islamic Economics: A Bibliometric Analysis. *Malaysian Journal of Economic Studies*, 58(2), 315–337. <https://doi.org/10.22452/MJES.vol58no2.7>
- Tekdoğan, Ö. F., Yenice, A. C., & Burgazoğlu, H. (2024). Critical factors affecting the success of Shari'ah governance: Insights from Islamic financial institutions. *Hamdard Islamicus*, 47(3), 47–70. <https://doi.org/10.57144/hi.v47i3.905>
- Tekin, H., & Tekdoğan, Ö. F. (2023). Türkiye'de katılım finans sektörünün kurumsal kapasitesinin artırılmasına yönelik bir model önerisi [A model proposal for increasing the institutional capacity of the participation finance sector in Turkey]. *Ahi Evran Üniversitesi Sosyal Bilimler Enstitüsü Dergisi*, 9(2), 420–439. <https://doi.org/10.31592/aeusbed.1133906>
- Tumewang, Y. K., Supriani, I., Dewi, H. R., & Alam, Md. K. (2025). An extended review on Sharia governance studies from 1985 to 2022. *Journal of Islamic Accounting and Business Research*, 16(2), 321–347. <https://doi.org/10.1108/JIABR-11-2022-0319>
- Ullah, K., Ashfaq, M., Atiq, M., Khan, M., & Hussain, A. (2023). Shariah capabilities and value propositions of Islamic banking. *International Journal of Islamic and Middle*

- Eastern Finance and Management*, 16(4), 701–715. <https://doi.org/10.1108/IMEFM-12-2019-0518>
- Ullah, S., Harwood, I. A., & Jamali, D. (2018). 'Fatwa Repositioning': The Hidden Struggle for Shari'a Compliance Within Islamic Financial Institutions. *Journal of Business Ethics*, 149(4), 895–917. <https://doi.org/10.1007/s10551-016-3090-1>
- Wasim, M. H., & Zafar, M. B. (2024). Shariah governance and Islamic banks: A systematic literature review. *Journal of Islamic Accounting and Business Research*. <https://doi.org/10.1108/JIABR-11-2023-0386>
- Yaş, M. (2023). Legal and regulatory issues of Islamic finance in Turkey: A qualitative discussion. *Journal of Central Banking Law and Institutions*, 2(3), 401–434. <https://doi.org/10.21098/jcli.v2i3.169>
- Yaş, M., & Aysan, A. F. (2023). Central advisory board and the new shariah governance framework for Islamic banks in Turkey. In S. Jan & M. Ismail (Eds.), *Shariah governance in Islamic banking institutions* (pp. 65–79). Routledge. <https://doi.org/10.4324/9781003324836-4>
- Yelsiz, İ., & Yurtseven, M. (2024). Türkiye katılım bankalarının AAOIFI standartlarına adaptasyonunda karşılaşılan sorunlar ve çözüm önerileri [Problems and solution suggestions in terms of applicability of Turkish participation banks in international AAOIFI standards]. *Türkiye Mesleki ve Sosyal Bilimler Dergisi*, 6(15), 82–100. <https://doi.org/10.46236/jovosst.1510745>
- Yenice, A. C., & Bektaş, İ. (2022). Türkiye'de şeri yönetim: Din İşleri Yüksek Kurulu örneği [Shariah governance in Turkey: A case study on High Council of Religious Affairs]. *Journal of Humanity and Society (İnsan & Toplum)*, 12(4), 99–136. <https://doi.org/10.12658/M0668>
- Yin, R. K. (2009). *Case study research: Design and methods* (4th ed.). SAGE.
- Yılmaz, H. S., & Şencal, H. (2022). İslam politik ekonomisi açısından merkezi fetva kurullarının yapısına dair bir değerlendirme [An evaluation of the structure of central Shari'ah boards from the perspective of Islamic political economy]. *Journal of Islamic Economics*, 2(1), 92–105. <https://izlik.org/IA57CE83BC>
- Yurtseven, M. (2023). Katılım finans sistemine yönelik şer'i/fıkhi yönetimle yapılandırılmış kurumsal model önerisi [Corporate model proposal structured with sharia/fiqh governance for the participation finance system]. *Kocatepe İslami İlimler Dergisi*, 6(Özel Sayı), 92–119. <https://doi.org/10.52637/kiid.1311272>
- Zuhroh, I. (2022). Mapping Islamic bank governance studies: A systematic literature review. *Cogent Business & Management*, 9(1), Article 2072566. <https://doi.org/10.1080/23311975.2022.2072566>