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WAYS TO ORGANIZE AND DEVELOP ISLAMIC INSURANCE SERVICES IN THE NATIONAL INSURANCE MARKET

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Annotation. This article highlights the economic essence and features of Islamic insurance (takaful), the operating model of Islamic insurance, that is, the mechanism for the formation and use of a takaful fund was presented, proposals were developed aimed at the introduction and development of Islamic insurance services in the national insurance market.

Key words: islamic insurance, gharar, maysir, ribo, takaful, takaful fund, tabarru, mutual insurance, mutual aid.

Introduction.

The insurance sector is one of the most important elements of the country's financial system. However, in the modern world, traditional types of insurance do not always correspond to the beliefs and views of the people who follow the rules of Sharia. For example, the traditional insurance system, which is currently used in our country as well as in many countries, does not correspond to the religious beliefs of the Muslim population due to the presence of elements of ribo (interest), gharar (uncertainty) and maysir (gambling). In such a situation, the types of Islamic insurance (takaful) show their uniqueness by clearly defining the mechanism of mutual relations between its participants. In this respect, international interest in the Islamic insurance (takaful) market is increasing in non-Muslim countries as well.

Despite the limitations imposed by Sharia law, most Muslims used traditional insurance services out of necessity. Because before the emergence of types of insurance that meet the requirements of Sharia, Muslims were forced to use traditional insurance services. However, the introduction of Islamic insurance (takaful) in Muslim countries stopped the use of traditional insurance and established the obligation to use only Islamic insurance (takaful).

Although Takaful is a type of Islamic insurance, it is widely used not only in Muslim countries, but also in other countries (USA, UK, Luxembourg and Japan). Because Islamic insurance (takaful) is attractive to non-Muslim policyholders and is more profitable and ethical than conventional insurance.

Islamic insurance (takaful) is a young insurance institution that is rapidly gaining popularity all over the world. About 0.1% of the annual insurance premiums in the global insurance market are accounted for by takaful. The results of the study of experiences related to the organization of takaful in Islamic countries indicate that this sector of the insurance market is developing rapidly. Taking into account that almost every fifth person in the modern world believes in Islam, the number of Muslims on earth has increased by 235% in the last 50 years, and now it is 1.6 billion people, the development of Islamic insurance (takaful) is becoming more urgent [1].

However, it should also be noted that institutional, legislative and organizational mechanisms for the introduction of Islamic insurance have not been formed in all countries, so various difficulties may arise in its introduction into the national insurance system.

Literature review.

Islamic insurance services and issues of their development are the subject of research that has been studied for many years in international insurance practice. For this reason, the theoretical aspects of Islamic insurance have been widely discussed in the literature. In particular, A. Andaronova deeply studied the concept of takaful and its essence, at the same time, the problems related to Islamic insurance (takaful). He also separately analyzed and researched the issues of Islamic reinsurance in the economy of Muslim countries [2].

Magomadova M.M. studied the possibilities of development of Islamic insurance in the regional economy in a comprehensive manner. Analyzing the state and development trends of the insurance services market in the region, he showed the possibilities of developing Islamic insurance in the country's economy [3].

Bekkin R.I. has come to the conclusion that it is preferable for takaful companies to be organized in the form of a joint-stock company. Because companies that cannot simultaneously meet the needs of several Islamically interested customers cannot offer takaful services to insured customers based on the characteristics of insurance services [4].

Logvinova I.L. recognized the need to establish an insurance fund to cover the damage that may be caused to takaful fund members as a result of an insured event [5], as in mutual insurance.

According to Rakaan Kayali, the composition of insurance premiums received from policyholders (takaful participants) and the financial scheme of takaful fund is more complicated than the composition of insurance premium in commercial insurance and traditional mutual insurance, because takaful fund funds are divided into two parts: tabarru fund intended for protection and investment to the mudaraba fund intended for [6].

Gezikhanov R.A. in his approaches, the contribution of each policyholder (participant of the takaful fund) in the spirit of mutual assistance, "donation (tabarru) or voluntary donation of one's share" and assistance to policyholders in need of assistance, is a feature of Islamic insurance [7].

Analysis and discussion of results

It is known that the history of insurance relations includes several thousand years. The basis of insurance relations is, first of all, the possibility of mutual assistance and redistribution of damage. Islamic insurance, which includes such features, is currently widespread in the insurance markets of many countries, and is also successfully developing in the world insurance market and becoming popular among the Muslim population.

Takaful, translated from Arabic, means mutual guarantee, is an Islamic insurance system based on the mechanism of distribution of profits and losses between the takaful operator and the participants of the takaful fund based on Sharia law. The main objective of Islamic insurance services is to protect the interests of takaful fund participants by making them jointly participate in the losses of the victims.

At the same time, traditional (commercial) insurance does not comply with a number of provisions of Sharia, for example, Islamic jurists recognize that it contains three elements prohibited from the point of view of the Muslim faith: gharar (uncertainty), maysir (gambling) and ribo (usury).

To overcome gharar (uncertainty), the takaful contract must be clear, fully disclosed and transparent. If there is at least one unknown risk, the takaful contract will not be concluded.

In order to eliminate maysir (gambling) in the takaful contract, there should be no speculative element in the distribution of risks, in this case, the insurance relationship is built on the basis of mutual protection (taawun).

In order to exclude riba (usury), participants' contribution to the takaful fund is treated as a gift (tabarru) and not as an insurance premium, as in traditional insurance.

Thus, the system of relations related to the establishment of a special insurance (takaful) fund, which is used to ensure mutual financial protection (taawun) in the event of unexpected unpleasant events, is called takaful.

The mechanism of interaction between takaful participants and subjects is as follows: takaful participants sign an agreement on providing financial assistance to each other; in the event of an event specified in the takaful contract, insurance compensation will be paid to this participant at the expense of the fund (tabarru); takaful participants share all risks and losses among themselves; in case of insufficient funds in the insurance (takaful) fund, the participants are jointly responsible for paying compensation from their own funds.

In turn, the takaful operator does not take part in taking the risks of the participants, but only forms and manages the takaful fund. Also, a certain part of the takaful fund is directed by the operator to investment funds, from which the participants will have the opportunity to receive investment income.

The amount of the share of contributions transferred to the investment fund is agreed in advance in the contract, as a rule, it can be 50-60% [3]. However, there are certain restrictions on takaful investment activities. Funds of the Takaful fund can be invested by the operator only in activities that are not prohibited by Sharia rules. For example, it is prohibited to receive income from the shares of companies engaged in the production of weapons, gambling, restaurant and hotel business, as well as the production of alcohol [3]. Under Islamic insurance regulations, takaful operators invest in stocks included in the Dow Jones Islamic Financial Markets Index. Based on the above considerations, it can be said that Islamic insurance (takaful) has the following characteristics: overcoming the element of gharar is achieved due to the fact that participants' contributions are considered as charity; the takaful fund is formed at the expense of voluntary donations and gifts; the relationship of takaful participants is based on mutual assistance; contributions of takaful participants are divided into two funds: tabarru and investment fund; funds collected in the takaful fund are always returned to the participant; participants receive stable investment income; there are restrictions on the types of takaful products (compliance with Sharia norms); investment of takaful funds can be made only in financial transactions not prohibited by Sharia; In accordance with Sharia norms, inheritance conditions are preserved; the takaful operator only manages the takaful fund; the Shariah Supervisory Board evaluates all activities of the Islamic insurance organization in accordance with the norms of Islamic law; takaful is not considered a contract of exchange; takaful participants contribute to the total insurance pool based on the concept of tabarru (donation) with the intention of participating in a mutual assistance system, instead of buying instead of taking responsibility for potential insurance events.

In some places, the existence of misconceptions about Islamic insurance can have a negative impact on its development. Here, the false and true concepts of Islamic insurance can be expressed through the following table.

Table 1

Differentiation of concepts formed on Islamic insurance¹

| Misconception | Correct Concept |
|---------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|
| Islamic insurance products are only for Muslims | It is intended for all participants, Muslim and non-Muslim |
| Insurance against risks is opposed to reliance on God | First, the reasons were explained, and then they were encouraged to rely on God |
| Takaful contract contains unusual concepts | There are no unusual concepts in Islamic insurance |
| The purpose of Islamic insurance is different from conventional insurance | The only difference in purpose and implementation is the Sharia compliance of all processes |

Conclusions and offers

It can be seen from the experiences of some countries with developed Islamic insurance or takaful that there are opportunities to cover and expand areas of national insurance markets not covered by commercial insurance through takaful insurance. At the same time, taking into account the increasing demand for takaful services in the world insurance market, the introduction and development of Islamic insurance remains urgent, for which it is necessary to first solve its organizational, legal and institutional issues.

Islamic insurance services have maintained the trust of their participants by demonstrating their financial stability and steady growth even during various financial crises. In this regard, the issue of widespread introduction and development of Islamic insurance services in the national insurance market is considered as a priority, and their solution requires the implementation of the following measures:

- Developing a Concept for the organization and development of the market of Islamic insurance services in the national insurance system based on Sharia laws, rules and principles;
- creation of national legislative documents on regulation of activities of takaful operators and control of takaful investment activities;
- development of halal (compliant with Sharia laws) insurance standards for the provision of Islamic insurance (takaful) services;
- to study the experiences of takaful insurance companies that are effectively working in international insurance practice and the activities of insurance control bodies to regulate their activities;
- establishment of takaful companies in the national insurance market, development of economic, organizational, legal and institutional mechanisms for introduction and development of Islamic insurance services;
- to reveal the characteristics of takaful products, to organize introduction and practical seminars, and to carry out social advertising activities in order to increase the literacy and culture of the population on Islamic insurance.

¹ Created by the author

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