

REVIEW

of the official reviewer for dissertation work

Kuanova Laura Aibolovna on the theme «The social effectiveness of Islamic finance: theory and practice» presented for the degree of Doctor of Philosophy (PhD) in the specialty «6D050900 - Finance».

№	Criteria	Eligibility (one of the options must be checked)	Justification of the position of the official reviewer
1.	The topic of the thesis (as of the date of its approval) corresponds to the directions of development of science and/or state programs	1.1 Compliance with priority areas of science development or government programs:	I am not familiar with the regulation of the Government of the Republic of Kazakhstan to comment on compliance of this thesis with the priority areas. However, Islamic finance related studies have been burgeoning and also have found their way into top-ranking international journals. Similarly, the social concern of financial firms as a subject is academic and practical. As a result, we have observed the emergence of a large number of research in conventional and Islamic finance related areas. I am therefore confident that this research fits well with global research.
		1) The thesis was completed within the framework of a project or target program financed from the state budget (indicate the name and number of the project or program) 2) The thesis was completed within the framework of another state program (indicate the name of the program) 3) The dissertation corresponds to the priority direction of the development of science, approved by the Higher Scientific and Technical Commission under the Government of the Republic of Kazakhstan (indicate the direction)	I am not familiar with the mentioned framework and regulations; however, considering the importance attached to Islamic financial development in Muslim countries and also gaining prominence in the social dimension of finance in general, I am pleased to state that this thesis should be considered as part of the emerging field of global Islamic finance studies.
2.	Importance for science	The work makes/ does not make a significant contribution to science, and its importance is well disclosed/not disclosed	The research presented in this thesis contributes to the existing body of knowledge in terms of approach, methodology along with the empirical contribution.

			<p>Compared to the existing Islamic finance literature, a particular and novel methodology of identifying the social impact is provided, for which the author should be commended. Most of the literature uses the usual CSR framework, while the candidate in this study uses a different approach by employing different social hierarchical levels to assess the social function of Islamic banks. Hence, methodological contribution and distinct approach should be appreciated.</p> <p>Bringing digital platforms such as crowdfunding as part of the Islamic finance base deco-system should be considered a contribution to the literature. Mapping and developing Kazakhstan's ecosystem for Islamic social finance and crowdfunding system should be regarded as a contribution. Being a case study on Kazakhstan is also a successful attempt.</p>
3.	The principle of independence	<p>Self-reliance level:</p> <p>1) High; 2) Medium; 3) Low; 4) No independence</p>	<p>PhD research is expected to be independent research and developing capabilities in conducting independent research. The research presented in this thesis evidence that this is an independent research, and the candidate has acquired the necessary skills for independent research. Considering the subject matter (Islamic social finance) and the use of a particular methodological approach, as well as the proposed frames, directly demonstrates the independent nature of the research, which draws its base from the existing body of knowledge in various sub-disciplines.</p>
4.	The principle of inner unity	<p>4.1 Justification of the relevance of the thesis:</p> <p>1) <u>Justified;</u> 2) Partially justified; 3) Not justified.</p>	<p>The introduction section presents a coherent and consistent rationalization for the research. Considering the emergence of the importance of the social function of financial and non-financial firms, developing research and framework to assess the social role of Islamic finance through Islamic institutions is a welcome addition to the existing literature. This provides the ground and rationalization for the research.</p>
		<p>4.2 The content of the thesis reflects the topic of the thesis:</p> <p>1) <u>Reflects;</u></p>	<p>The research presented in the thesis evidence consistency and hence reflects the topic of the dissertation. The research is effectively located within the existing theoretical body of knowledge, and the rationalization</p>

		<p>2) Partially reflects; 3) Does not reflect</p>	<p>is well grounded. A particular methodological approach developed beyond CSR and maqasid should also be considered a reflection of the proposed topic and its articulation, as successfully done in Chapter 1. The research content in terms of estimation in relation to zakat and the potential role of Islamic social finance in contributing to the alleviation of social problems in Kazakhstan is also reflective of the topic and its articulation in a particular case study. Proposing Islamic finance and digital platform ecosystem along with the recommendations should be considered successful articulation of the research topic.</p>
		<p>4.3. The purpose and objectives correspond to the topic of the thesis: 1) <u>correspond;</u> 2) partially correspond; 3) do not correspond</p>	<p>As identified in the initial part of the study, the aim and objectives of the study correspond to the research's specified topic and reflect consistency. The aims and objectives of the research effectively ground the research and help to develop the central argument of the research. Aims and objectives clearly set out the theoretical and methodological articulation of the research and also identify the empirical nature of the research successfully. In particular, drawing conclusions and policy recommendations from the research for Kazakhstan should also be considered a successful articulation of the aims and objectives.</p> <p>Thus, the aims and objectives target to achieve theoretical contribution, methodological contribution, empirical contribution and generating an ecosystem and policies for the successful implementation of Islamic social finance through its social impact. Consequently, consistency is successfully achieved between the aims and objectives, contents, theoretical and empirical articulations, and policy and practical recommendations.</p>
		<p>4.4 All sections and provisions of the thesis are logically interconnected: 1) <u>completely interconnected;</u> 2) the interconnection is partial; 3) there is no interconnection</p>	<p>The research successfully sets out the aims and objectives, which helps to develop the research through the inner methodological logic. In other words, the aims and objectives are methodological interconnected with the central argument and development of the argument in the rest of the research. Theoretical frame, methodological frame, empirical conduct and case are all well connected to develop coherent research around the central argument and theme for which the candidate should be commended.</p>

		<p>4.5 The new solutions (principles, methods) proposed by the author are reasoned and evaluated in comparison with the known solutions:</p> <p><u>1) there is a critical analysis;</u> 2) partial analysis; 3) the analysis does not represent one's own opinions, but quotes from other authors</p>	<p>The research subjects the existing body of knowledge to a critical analysis to identify the gap in the literature to rationalize the study. In addition, after consulting the research and developing the empirical analysis, the candidate successfully draws some critical conclusions in proposing a social financing ecosystem and policy recommendations. Hence, the researcher has developed the necessary critical thinking to be considered independent research.</p>
5.	Scientific novelty principle	<p>5.1 Are the scientific results and provisions new?</p> <p><u>1) completely new;</u> <u>2) partially new (25-75% are new);</u> 3) not new (less than 25% are new)</p>	<p>As discussed so far, the research presented in this thesis reflects and hence evidences scientific novelty expected from a PhD research. The scientific novelty is expressed and articulated in the following ways:</p> <p>(i)_ consistency between the aims, objectives and the content and execution of the research.</p> <p>(ii) identifying the theoretical underlying of the research through essentialization of social function for financial institutions.</p> <p>(iii) specific Islamic finance related theoretical underpinning is demonstrated through the rationalization of Islamic social finance.</p> <p>(iv) identifying a consistent and coherent research methodology and methodological framework to assess the social performance of Islamic finance</p> <p>(v) utilizing effective and efficient research methods to conduct empirical analysis</p> <p>(vi) exploring Kazakhstan's Islamic finance and Islamic social finance practice to provide a coherent case study and apply the case study method.</p> <p>(vii) effectively developing policies and recommendations along with the financial ecosystem for Islamic finance by also considering digital platforms.</p> <p>Thus, the research fulfils the scientific novelty from inception to development, execution, and conclusion.</p>

		<p>5.2 Are the dissertation findings new? 1) completely new; 2) partially new (25-75% are new); 3) not new (less than 25% are new)</p>	<p>The research findings represent novelty due to being a case study on Kazakhstan on which there are not many studies on Islamic finance in general and Islamic social performance in particular. In addition, the specific methodology and the development of an empirical framework helped to develop new findings. Thus, the novelty in findings will locate the research in the existing body of research, demonstrating that it has filled the gap located in the literature.</p>
		<p>5.3 Technical, technological, economic or management decisions are new and reasonable: 1) completely new; 2) partially new (25-75% are new); 3) not new (less than 25% are new)</p>	<p>The development and execution of the research and the relevant decisions are all new and successfully conducted. Implementing the proposed ecosystem for Islamic finance and Islamic social finance through digital platforms is left for the regulative authority to decide to enforce. However, the candidate must be commended for successfully making a coherent decision to develop the research.</p>
6.	The validity of the main findings	<p>All main conclusions are are not based on scientifically significant evidence or well-grounded (for qualitative research and areas of training in the arts and humanities)</p>	<p>The research is successful in identifying its aims and objectives as well as the central argument and conducting the research coherently and consistently with the aims and objectives. Thus, the rationalization of the research's inception, development, and execution are all done effectively. Using a particular methodological framework and empirical methods provides further validity to the research by demonstrating the potentially re-conducting of the research. The research is well located in the existing body of knowledge with international academic credentials, which further validates the results, conclusions, and recommendations. Further validity will come with the publication process.</p>
7.	The main provisions for the defense	<p>It is necessary to answer the following questions for each provision separately:</p> <p>7.1 Is the provision proven? 1) proven; 2) rather proven; 3) rather not proven;</p>	<p>Through the scientific contribution identified in Chapter 1, the following assessment in relation to 7 provisions are provided:</p> <p>Provision 1, which is the articulation of the Islamic social function and its essential need during crisis period by rationalizing through the existing body of knowledge in the form of primary sources and previous research. 7.1. proven</p>

		<p>4) not proven</p> <p>7.2 Is it trivial? 1) yes; 2) no</p> <p>7.3 Is it new? 1) yes; 2) no</p> <p>7.4 Application level: 1) narrow; 2) medium; 3) wide</p> <p>7.5 Is it proven in the article? 1) yes; 2) no</p>	<p>7.2. no</p> <p>7.3. no (as social function is empirically tested in various case studies in the literature)</p> <p>7.4. wide</p> <p>7.5. yes – as the candidate published a paper which shows the validity (L. A. Kuanova, et al. (2021) Islamic social finance: a literature review and future research directions, <i>Journal of Islamic Accounting and Business Research</i>, 12(5), 707-728.)</p> <p>Provision 2, which argues that Islamic social finance institutions in the form zakat, waqf and microfinance, play an essential function in alleviating the social problems.</p> <p>7.1. proven</p> <p>7.2. no</p> <p>7.3. no (as the impact of such institutions is empirically tested in various case studies in the literature)</p> <p>7.4. wide</p> <p>7.5. yes - as the candidate published a paper which shows the validity (L. A. Kuanova et al (2021). Islamic Social Finance and the impact of the Covid-19 pandemic. <i>Economy: Strategy and Practice Journal</i>, 1 (16), 106-116.)</p> <p>Provision 3, which relates to the assessment of the social function of Islamic finance at different economic hierarchy levels.</p> <p>7.1. proven</p> <p>7.2. no</p> <p>7.3. yes (methodology and case study is novel)</p> <p>7.4. wide</p> <p>7.5. yes - as the candidate published a paper which shows the validity (L. A. Kuanova et al. The experience and the prospects of Islamic finance in Kazakhstan. <i>Qualitative Research in Financial Markets</i>.)</p> <p>Provision 4– assessing the Islamic finance asset development performance in Kazakhstan and measuring the potential zakat collection.</p>
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8.	The principle of reliability Reliability of sources and information provided	8.1 Choice of methodology - is justified or the methodology is described in sufficient detail 1) yes; 2) no	One of the strengths of the research is its logical application of the methodology in conducting the research and significantly developing the research by using a methodological framework. The execution of methodology in conducting analysis is very successful as the candidate shows mastery in the application. Each of the provisions is examined and empirically tested using particular methods; hence, triangulation has been successfully conducted, including quantitative methods such as (financial analysis) and qualitative methods (such as interview and questionnaire, expert analysis, document and textual analysis). In addition, a combination of such methods has been successfully developed and handled, which provides further validation for the research. Thus, various methodologies are justified; but it will be useful if a short section is opened in the first chapter to present the research methodology and how each of the methods is used concerning the per provision.
		8.2 The results of the thesis were obtained using modern methods of scientific research and methods of processing and interpreting data using computer technologies: 1) yes; 2) no	The research is conducted with a combination of modern methods of scientific research, which validates the results of the research.

		<p>8.3 Theoretical conclusions, models, identified relationships and patterns have been proven and confirmed by experimental research (for areas of training in pedagogical sciences, the results have been proven on the basis of a pedagogical experiment):</p> <p>1) yes; 2) no</p>	<p>The inception of the research, the development of its central argument and its theoretical conclusions, and models have been proven and confirmed concerning the execution of each of the research aims and objectives identified in the study.</p>
		<p>8.4 Important statements are confirmed / partially confirmed / not confirmed by references to current and reliable scientific literature</p>	<p>As the writing style shows, the statements are confirmed and substantiated by citations through references to the existing body of knowledge. The informed and well-read nature of the research is evidenced by the reference list containing the leading material in the literature.</p>
		<p>8.5 Used literature sources are sufficient/not sufficient for a literature review</p>	<p>As stated above, the citation and the reference list demonstrate that the candidate consulted the existing body of knowledge sufficiently to ground the research.</p>
9	Practical value principle	<p>9.1 The thesis has theoretical value:</p> <p>1) yes; 2) no</p>	<p>The research has been developed around the central argument that financial institutions should have a social function as a consequence of their financial and commercial function. The social function is further theoretically substantiated by referring to the underlying theoretical ground within Islamic morality and normativeness. The results and findings of this research are expected to inform the new academic studies is critically discussing the theoretical and empirical contribution made by this study.</p>
		<p>9.2 The thesis is of practical importance and there is a high probability of applying the results obtained in practice:</p> <p>1) yes; 2) no</p>	<p>The research presented in this thesis utilizes the findings to develop and propose an Islamic social finance ecosystem by considering digital platforms. Therefore, it has practical implications. Furthermore, considering that this is a case study in the case of Kazakhstan, it provides a proposal for the development of the sub-sector of Islamic social finance. Various institutions and agencies can take up such practical implications in</p>

			the country in their plan for national development for Islamic social finance related development in particular and Islamic financial development in the country in general.
		9.3 Are the practice suggestions new? 1) completely new ; 2) partially new (25-75% are new); 3) not new (less than 25% are new)	There is significant novelty in the proposals for practice, which can inform the relevant institutions and agencies and guide scientific institutes and researchers.
10.	The quality of writing and design	Academic writing quality: 1) high; 2) average ; 3) below average ; 4) low .	The candidate demonstrated a well-written academic quality in terms of their language use and, notably, in the articulation and expression of ideas. In addition, they are careful in substantiating statements and arguments and avoided unnecessary filling statements. The candidate is also successful in developing academic writing logically and consistently, for which they should be commended.

In reviews, official reviewers indicate one of the following solutions:

- 1) to award the degree of Doctor of Philosophy (PhD) or Doctor of Specialization;
- 2) send the thesis for revision (except for cases of thesis defense in the form of a series of articles);
- 3) refuse to award the degree of Doctor of Philosophy (PhD) or Doctor of Specialization.

Copies of the reviews of the official reviewers are handed over to the doctoral student no later than 5 (five) working days before the defense of the thesis.

Official Reviewer:

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