



# The Performance of Sharia Insurance Companies based on Maqashid Sharia Index in Indonesia, Malaysia, and Bahrain: A Comparatif Study

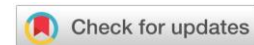
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## ABSTRACT

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This study aims to determine sharia Insurance companies performance according to the Maqashid Sharia index. The study was conducted using Simple Additive Weighting (SAW). The population and sample in this study are from Indonesia, Malaysia and Bahrain from 2016 to 2018. The analysis results show that Sharia Insurance in Indonesia, Malaysia and Bahrain have different performance ratio which is measured from the rank: 1) PT Asuransi Ramayana, Tbk (IDN), 2) AmMetLife Takaful Berhad (MYS), 3) Hannover Retakaful B.S.C (BHR), 4) PT Asuransi Ekspor Indonesia (IDN), 5) Takaful International Co.B.S.C (MYS), and 6) Etiqa Takaful Berhad (BHR). This study implies that the average performance ratio of Sharia Insurance in Indonesia is the best with 57.9%, followed by Bahrain with 29.8% and Malaysia with 27.2%. The results of this study are expected to have implications for the method of assessing the performance of Islamic insurance which does not only focus on financial performance, but also performance based on Maqashid Syariah. In addition, the results of this study are expected to enrich Islamic economics, particularly related to the measurement of sharia insurance performance.



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## INTRODUCTION

The role of financial institution especially sharia insurance currently discussed among the public, to fulfill community need and interest on the halal insurance product that meets sharia requirement (Nugraheni & Muhammad, 2019; Fathonih, et. al., 2019; Rusydiana, Hasib & Rani, 2019; Mulyany, et. al., 2021; Dabrom & Shaheen, 2021; Adinugraha, et. al., 2021). Sharia insurance needs a performance measurement tool in terms of sharia objectives (*maqashid syariah*) to assess how far sharia insurance performance is implemented according to sharia principles (Khalid, et. al., 2017; Nugroho, et. al., 2019; Maspupah & Hasanah, 2020; Azmi, et. al., 2020; Mashfufah, & Yasid, 2021). This is to provide certainty for all company activities on their risk and to protect a more decent life (Wijayanti & Mohamed, 2021; Hassan, et. al., 2021; Hassan, Muneeza & Saraç, 2021). Sharia insurance is also referred to as *Takaful*, in the sharia insurance concept, participants mutually agree to contribute to *tabarru'* fund to fulfill the obligation to help each other and become a mutual guarantee when one of the participants experience a loss (Firdaus & Dewi, 2019; Puad, et. al., 2019; Ali, et. al., 2019; Owais & Rahman, 2019; Malik & Ullah, 2019; Abdeen, et. al., 2019; Puad, et. al., 2020). The aim of sharia insurance is to reduce the burden of losses among participants or the company and to ensure that all company operations are carried out with sharia principles (Ismail, 2013; bin Nik Abdul, et. al., 2020; Fendi, 2020; Rahim, Bakar & Nor, 2021).

Several phenomena that took place recently surrounding sharia insurance in Indonesia such as the case of PT Asuransi Bumiputera at the end of 2018, which experienced default to pay their customer at the maturity date of their insurance policy. A report from the World Bank mentioned that there are around 7 million customers with more than 18 million insurance policies were subject to default. It was estimated that there are more than 7 million customers who do not receive their payment even after their policy is due or their contract is expired (Merdeka.com, 2019). This case causes customers to not receive their payment at maturity or experience delay in the claim payments, so that PT Asuransi Bumiputera cannot protect their customers in the form of life insurance, hospitalization, treatment of critical illnesses, until insurance for the unproductive period.

The latest phenomenon which shakes the world is the global healthcare problem concerning coronavirus illness. The Ministry of Health Bahrain has confirmed the first case of Covid-19 in Bahrain on 24 February 2020, and the government tried to cover the health cost through health insurance (Minews, 2020).

**Table 1.** Total Sharia and Conventional Insurance Assets in Indonesia (Billion IDR)

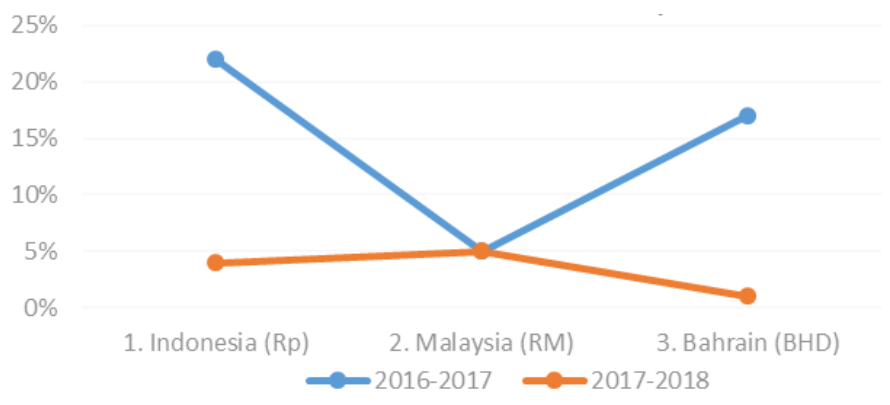
Year	Sharia	Conventional	Difference
2016	33.244	944.576	27%
2017	40.520	1.132.602	27%
2018	41.959	1.209.627	28%

Source: Financial Service Authority 2020

The difference between sharia and conventional insurance assets in 2016 was 27%, in 2017 was 27% and in 2018 was 28% (Financial Service Authority, 2016-2018). The data in Table 1 show that Islamic insurance assets are still relatively low compared

to conventional insurance. This is due to low socialization and lack of access to information, free of market and low quality of human resources (Ramadhani, 2015).

The growth of global sharia finance becomes an indicator of global economic success. Indonesia is in the fourth position with 68 points, Malaysia is in the first position with 115 points, and Bahrain is in second place with 71 points (Islamic Finance Development Indicators, 2019). The growth in global sharia insurance assets experienced increase each year, in 2017 the total assets reached USD 46 billion which is only 2% from the total of 324 operators in 47 countries (Islamic Finance Development Report, 2018).



**Figure 1.** Sharia Insurance Asset Growth (Takaful)

**Figure 1** shows that Sharia Insurance in Indonesia experienced 22% growth in 2016-2017 and 4% in 2017-2018 (Financial Service Authority, 2018) (Maksum, (2011). Takaful in Malaysia experienced 5% growth in 2016-2018 and 5% in 2017-2018 (Central Bank of Malaysia, 2018). Takaful in Bahrain experienced 17% growth in 2016-2018 and 1% in 2017-2018 (Central Bank of Bahrain, 2018). The average growth of Sharia Insurance assets in Indonesia, Malaysia and Bahrain in 2016-2018 is 3-15%.

Considering the importance of performance in future projection, all firm's operations must be based on social and environmental principles. Bedoi & Mansour (2013) mention that the Islamic point of view on social and environmental principles are closely related to ethics and not limited to finance. It also includes all stakeholders and the society at large; this is the highlight of *Maqashid Sharia*-based performance in the financial institution.

*Maqashid Sharia* is the objective of the Islamic economy to realize education, justice and sense of humanity. *Maqashid Sharia* becomes the main point in *ijtihad* to solve the problem in sharia economy and finance. *Maqashid Sharia* is the idea from Islamic law that sharia was revealed by Allah to achieve certain objectives. These objectives are the main basis in achieving the *maslahat* for mankind because it contains all elements related to human nature. Mohammad & Shahwan (2013) state that *maslahat* can be realized in five ways, life protection (*al-Hayah*), religious protection (*al-Diin*), protection of dignity (*al-Muru'ah*), protection of sense (*al-'Aql*) and property protection (*al-Mal*).

Several previous studies related to performance measurement based on the Maqashid Syariah Index have been studied. According to [Azmi, et. al., \(2020\)](#) sharia compliance is proven to moderate the effect of Islamic social reporting index on the value of the maqashid sharia index. Moreover, [Khoiriyah & Salman \(2020\)](#) found the maqashid sharia index, company size, and company age have a positive effect on Islamic social reporting. [Nasution, et. al., \(2019\)](#) found that there is difference in risk between capital (RBC) of Indonesian and Malaysian Islamic insurance. On RBC's liquidity and investment balance ratios have a significant impact to the profitability of Islamic Insurance in Indonesia, while investment returns have no significant impact.

However, [Pramono \(2019\)](#) found that simultaneous research show that together Islamic social reporting index and sharia compliance disclosure have a significant positive effect to the financial performance of sharia insurance companies proxied with maqasid syariah index. In contrast, on the partial test results of Islamic reporting index variables and sharia compliance disclosure does not affect.

[Antonio, et. al. \(2012\)](#) conducting research on Islamic banking measurements based on the Maqashid Syariah Index with the Simple Additive Weighting (SAW) method. The results found that the average Islamic Maqashid Index of Islamic banks in Indonesia was better than Islamic banking in Jordan. In contrast, [Nugraha, et. al. \(2020\)](#) found that there is no significant difference between the application of Islamic maqashid in Indonesia and the implementation of Islamic maqashid in Bahrain. Even the different government policies or regulations because each country has a specific constitution.

[Muhammad & Taib \(2015\)](#) in developing Maqasid Al-Syariah-based Islamic banking performance measures in Malaysia at 24 selected banks, found that the measurement of Islamic banking performance increased when measured by Maqasid Al-Syariah ([Fauzi & Rashid, 2016](#)). [Mega, et.al., \(2019\)](#) found that the performance of Indonesia Islamic Banks based on maqasid syariah index from 2013 to 2017 was below 30%, even during the year of observation there was an increase. On the other hand, [Sukardi, et. al., \(2019\)](#) found that in Indonesia sharia companies, the highest five ranks of Sharia Maqashid Index performance calculation, namely, DPLK Muamalah, Reindo Syariah, Asuransi Takaful Indonesia, Sarana Multigriya Finansial, and lastly is Pegadaian Indonesia.

On the other hand, [Hidayat & Abdulla \(2015\)](#) on the comparison of the financial performance of Takaful and conventional insurance companies in Bahrain using solvency, liquidity, profitability, underwriting performance and efficiency measures. Found that conventional insurance companies are more profitable and efficient than Takaful.

This study aims to compare the performance of Sharia Insurance based on the Maqashid Sharia Index in Indonesia, Malaysia and Bahrain. This study has several differences with previous research which refers to previous research. The research has differences with previous research, including the sample used is sharia insurance in several countries, namely Indonesia, Malaysia and Bahrain for the period 2016-2018 annual report. Research with the object of research on insurance is still very little compared to the

object of Islamic banking. The results of this study are expected to have implications for the method of assessing the performance of Islamic insurance which does not only focus on financial performance, but also performance based on Maqashid Syariah. In addition, the results of this study are expected to enrich Islamic economics, particularly related to the measurement of sharia insurance performance.

## RESEARCH METHOD

This study is a descriptive qualitative that aims to describe the score of *Maqashid Sharia* Index on Sharia Insurance by comparing the rank of a variable using the Simple Additive Weighting (SAW) method. Using the Simple Additive Weighting (SAW) method which refers to the research of Antonio, Sanrego & Taufiq (2012) and Muhammad & Taib (2015) based on the Maqashid Syariah Index with the Simple Additive Weighting (SAW) method. SAW method is a decision-making method to determine the weight of attributes. The basic concept used in this study is the Multiple Attribute Decision Making (MADM) which is a managerial tool used in evaluating the comparison of alternatives. The target population of this study is Sharia Insurance in Indonesia, Malaysia and Bahrain on the period of 2016-2018 and the samples are selected using a purposive sampling method.

The consideration used to select the samples were: *first*, sharia insurance which publishes annual report listed in Financial Service Authority (Otoritas Jasa Keuangan - OJK), Central Bank of Malaysia (CBM) and Central Bank of Bahrain (CBB) which can be accessed through their website <https://www.ojk.go.id>, <https://www.bnm.gov.my>, <https://www.cbb.gov.bh>.

*Second*, The firm does not perform merger and acquisition. *Third*, the data was collected based on the highest asset value in each country. The data analyzed in this study by secondary data that refers to the information collected from the available sources.

The result of Sharia Insurance data collection in Indonesia found that 54 firms are listed in Financial Service Authority (OJK), 12 firms are listed in Central Bank of Malaysia (CBM), and 10 firms are listed in Central Bank of Bahrain (CBB). After data collection and selection following several considerations for samples, the following are the samples selected based on assets development in each country:

**Table 2.** The Data on Sharia Insurance Assets in Indonesia, Malaysia and Bahrain

Name	Country	2016	2017	2018
PT Asuransi Ramayana, Tbk	IND (IDR)	200,013,955,646	175,979,551,082	204,718,124,883
PT Asuransi Ekspor Indonesia	IND (IDR)	53,412,442,871	61,944,218,828	74,317,088,901
AmMetLife Takaful Berhad	MYS (RM)	217,822,895	228,050,024	222,518,303
Etiqa Takaful Berhad	MYS (RM)	14,167,592	14,916,940	16,340,281
Hannover Retakaful B.S.C	BHR (BHD)	154,788,808	159,828,950	155,470,526
Takaful International Co.B.S.C	BHR (BHD)	39,490,203	34,814,596	39,792,340

From the development of the assets data, this study took several Sharia Insurance firms, in Indonesia PT Asuransi Ramayana, Tbk and PT Asuransi Ekspor Indonesia; in Malaysia, AmMetLife Takaful Berhad and Etiqa Takaful Berhad, and in Bahrain, Hannover Retakaful B.S.C. and Takaful International Co.B.S.C.

After adjusted with the availability and completeness of the data, not all samples of Sharia Insurance fulfill the ten ratios in *Maqashid Sharia* Index. This makes researchers use five performance ratios:

- 1) Publication Costs/Total Costs (R14)
- 2) Undistributed Profit Sharing/Net Investment Income (R21)
- 3) Interest-Free Income/Total Income (R23)
- 4) Net Profit/Total Assets (R31)
- 5) Real Sector Investment/Total Investment (R33).

The multiplication stage of dimensions and performance ratio with each weight is adjusted to the performance ratio used in the study, to ensure that the final result will accurately represent the presented data.

The measures performance based on *Maqashid Sharia* Index were proxied with three elements, educate individual, uphold justice, and achieve *maslahat*. There are several stages to produce the result of measurement for *Maqashid Sharia* Index: First, determine the financial ratio which is a comparison between sample as an initial assessment of *Maqashid Sharia* Index in Sharia Insurance annual report. Following is the performance ratio based *Maqashid Sharia* Index:

- 1) Education Grant/Total Income (R11)
- 2) Education Cost/ Total Costs (R12)
- 3) Training Costs/Total Costs (R13)
- 4) Publication Costs/Total Costs(R14)
- 5) Undistributed Profit Sharing/ Net Investment Return (R21)
- 6) *Mudharabah & Musharakah* Financing/Total Investment (R22)
- 7) Interest-Free Income/Total Income (R23)
- 8) Net Profit/Total Assets (R31)
- 9) Zakat Paid/Net Assets (R32)
- 10) Real Sector Investment/Total Investment (R33)

The following is the list of operational variables that support the current study:

**Table 3.** Definition and Operational Variable

Concepts (Objectives)	Dimensions	Elements	Financial Performances
Educate Individual	D1. To advance the knowledge	E1. Educational Assistance	R1. Educational Assistance Total Costs
		E2. Research	R2. Research Costs/Total Costs
	D2. Implement and Improve New Skills	E3. Training	R3. Training Costs/Total Costs
	D3. Create Awareness on Sharia Insurance	E4. Publication	R4. Publication Costs/Total Costs
Uphold	D1. Fair Return	E1. Fair Return	R1. Undistributed Profit Sharing/Net Investment Return

Justice	D2. Affordable Products and Services	E2. Distribution Function	R2. Mudharabah & Musharakah Financing/Total Financing
	D3. Eliminate Negative Elements that can Create Injustice	E3. Interest-Free Products	R3. Interest-Free Income/Total Income
Achieve <i>Maslahat</i>	D1. Profitability	E1. Income Ratio	R1. Net Profit/Total Assets
	D2. Income Retribution & Welfare	E2. Individual Income	R2. Zakat Paid/Net Assets
	D3. Investment in the Real Sector	E3. Real Sector Investment Ratio	R3. Real Sector Investment/Total Investment

Source: Mohammed & Taib (2015)

From the performance ratio that has been set, it is then proxied again according to the weight of each performance. Following is the weight of each variable in the *Maqashid Sharia* Index:

**Table 4.** Weighted Variable in *Maqashid Sharia* Index

Objectives	Average Weight (Out of 100%)	Elements	Average Weight (100%)
1. Education	30	E1. Education Grant/donation	24
		E2. Research	27
		E3. Training	26
		E4. Publication	23
		<b>Total</b>	<b>100</b>
2. Justice	41	E1. Fair Returns	30
		E2. Fair Price	32
		E3. Interest-Free Products	38
		<b>Total</b>	<b>100</b>
3. Maslahat	29	E1. Profitability Ratio	33
		E2. Income Equity	30
		E3. Real Sector Investment	37
		<b>Total</b>	<b>100</b>

Source: Mohammed & Taib (2015)

## RESULT AND DISCUSSION

### *Performance Ratio based on the Maqashid Sharia Index*

*Maqashid Syariah* Index becomes one of the most important things in a firm to achieve the welfare of Sharia Insurance. It deserves attention in measuring the performance of the *Maqashid Sharia* Index with three key indicators as follows: performance ratio, net income, real sector investment.

The result of performance ratio according to *maqashid sharia* index on sharia insurance in Indonesia, Malaysia, and Bahrain stated in **Table 5**. It is shows that the normal average publication ratio (R14) of 46%, the highest publication ratio is achieved by PT Asuransi Ramayana, Tbk with 0.94249 because the publication costs in the annual report are incorporated in business cost.

The second-highest achieved by AmMetLife Takaful Berhad with 0.71294 which proved that publication have been implemented well because it has reached the

normal average value, followed by Etiqa Takaful Berhad with 0.55578 which prove that publication have been implemented well because it has reached the normal average value with 0.26022.

On the other hand, Hannover Retakaful B.S.C with 0.17026 proved that the publication has not been performed optimally because firm allocate more for *qard hassan* borrowing costs and lastly, PT Asuransi Ekspor Indonesia with 0.10177 proved that the publication has not been performed optimally because most of the costs are allocated for commission costs. The **table 5** implies that sharia insurance publication among the firms is significant. However, sharia insurance is suggested to perform more publication for their products and information offered reached consumers.

**Table 5.** Performance Ratio based on the *Maqashid Sharia* Index

Insurance Name	R14	R21	R23
PT Asuransi Ramayana, Tbk	0.94249	5.20371	0.89964
PT Asuransi Ekspor Indonesia	0.10177	1.11726	0.94427
AmMetLife Takaful Berhad	0.71294	2.07589	0.82650
Etiqa Takaful Berhad	0.55578	0.58994	0.02533
Hannover Retakaful B.S.C	0.17026	2.40118	0.74357
Takaful International Co.B.S.C	0.26022	0.80962	0.06828

On the variable undistributed profit sharing (R21), shows that the highest ratio is owned by PT Asuransi Ramayana, Tbk. with 5.20371, followed by Hannover Retakaful B.S.C. with 2.40118 distributed to stockholders. While AmMetLife Takaful Berhad with 2.07589 distributed to all participants/customers, managers and pool of *tabarru'* funds which aims to help each (*ta'awun*) among the participants.

PT Asuransi Ekspor Indonesia with 1.11726 but do not mention the objective of undistributed profit sharing, fifth owned by Takaful International Co.B.S.C. with 0.80962 distributed to participants/customers and pool of *tabarru'* funds to help each other among participant and lastly, owned by Etiqa Taqaful Berhad with 0.58994 distributed to participants/customers, manager and a pool of *tabarru'* fund to help each other among participant.

On the variable Interest-Free Income (R23) described in **table 5**, the highest ratio is PT Asuransi Ekspor Indonesia with 0.94427 which shows that firm has significantly large interest-free income.

Followed by PT Asuransi Ramayana, Tbk. with 0.82650 which shows that has significantly large interest-free income. Third owned by AmMetLife Takaful Berhad with 0.82650 which shows that firm has significantly large interest-free income.

And the next is Hannover International B.S.C. with 0.74357 which shows that firm has significantly large interest-free income. Anf fifth owned by Takaful International Co.B.S.C. with 0.06828 which shows that firm has considerably low interest-free income, sixth owned by Etiqa Takaful Berhad with 0.02533 which shows that firm has considerably low interest-free income.



### *Net Income Ratio*

**Table 6** describe the net income ratio variable (R31), PT Asuransi Ramayana, Tbk in Indonesia the highest ratio with 0.09677 which shows that firm generate profits. While PT Asuransi Ekspor Indonesia 0.05145 shows that firm generate profit. Followed by Hannover Retakaful B.S.C. with 0.02717 which shows that firm generate low profit and Etiqa Takaful Berhad with 0.01995 shows that firm generate profit. On the other hand, Takaful International Co.B.S.C. with 0.01973 which shows that firm generate profit. Lastly AmMetLife Takaful Berhad with -0.07244 which shows that firm experienced loss. The result indicates that the total net income of Sharia Insurance is considered low in all countries because the Sharia Insurance industry is at the development stage.

**Table 6.** Performance Ratio based on the Third *Maqashid Sharia* Index

<b>Insurance Name</b>	<b>R31</b>	<b>R33</b>
PT Asuransi Ramayana, Tbk	0,09677	0,06061
PT Asuransi Ekspor Indonesia	0,05145	0,00367
AmMetLife Takaful Berhad	-0,07244	0,01187
Etiqa Takaful Berhad	0,01995	0,00003
Hannover Retakaful B.S.C	0,02717	0,00170
Takaful International Co.B.S.C	0,01973	0,37202

### *Real Sector Investment*

The real sector investment (R33) is investment or purchase of productive assets to produce certain product through the production process which is expected to bring benefit in the future.

Based on **Table 6** shows that Takaful International Co.B.S.C. reached the highest point with 0.37202 shows that real sector investor is appropriate and most of the other investments allocated to the required deposits and investment available for sale. Followed by PT Asuransi Ramayana, Tbk. with 0.06061 which shows that real sector investment is considered low because mostly are allocated to the investment in the financial sector including time deposits and sukuk. AmMetLife Takaful Berhad in the third position by 0.01187 point which shows that real sector investment is considered low because mostly are allocated to the financial sector including the collection of *ta'awun* funds collection for investment from the participants.

On the other hand, PT Asuransi Ekspor Indonesia with 0.00367 point shows that real sector investment is considered low because most of it was allocated to the investment in the financial sector including time deposits and securities, and followed by Hannover Retakaful B.S.C with 0.00170 point which shows that the investment in the real sector is considered low because mostly are allocated to the non-real sector investment including mandatory deposits and investment securities.

Lastly is Etiqa Takaful Berhad with 0.00003 which shows that investment in the real sector is considered very low because mostly are allocated for non-real sector investment including the collection of *ta'awun* funds for investment from the participants.

### ***Sharia Insurance performance based on Maqashid Sharia Index in Indonesia, Malaysia and Bahrain***

Table 7 shows the result of sharia insurance performance based on *Maqashid Sharia* Index. The highest performance was PT Asuransi Ramayana, Tbk (IDN) with 86.1%, followed by AmMetLife Takaful Berhad (MYS) with 42.8% and Hannover Retakaful B.S.C. (BHR) with 42.6%.

**Table 7.** The Rank of Sharia Insurance based on *Maqashid Sharia* Index

Sharia Insurance Name	Country	PI(O1)	PI (O2)	PI (O3)	Maqashid Sharia index	Rank
PT Asuransi Ramayana, Tbk	IDN	0.06503	0.78022	0.01576	0.86102	1
AmMetLife Takaful Berhad	MYS	0.04919	0.38410	-0.00566	0.42764	2
Hannover Retakaful B.S.C	BHR	0.01175	0.41119	0.00278	0.42572	3
PT Asuransi Ekspor Indonesia	IDN	0.00702	0.28454	0.00532	0.29688	4
Takaful International Co.B.S.C	BHR	0.01796	0.11022	0.04181	0.16998	5
Etiqa Takaful Berhad	MYS	0.03835	0.07651	0.00191	0.11677	6

From **table 7**, also found that Indonesia has an average for educating individual with 0.36%, uphold justice 53.2% and masalahah with 0.11%. The total average of *Maqashid Sharia* Index is 57.9%. this result in contrast with the study of [Mega, et.al., \(2019\)](#) which found that the performance of Indonesia Islamic Banks based on maqasid sharia index from 2013 to 2017 was below 30%, even during the year of observation there was an increase. On the other hand, [Sukardi, et. al., \(2019\)](#) found that in Indonesia sharia companies, the highest five ranks of Sharia Maqashid Index performance calculation, namely, DPLK Muamalah, Reindo Syariah, Asuransi Takaful Indonesia, Sarana Multigriya Finansial, and lastly is Pegadaian Indonesia.

While Malaysia has the average of educating individual of 0.44%, uphold justice with 23% and masalahah with -0.02%. The total average of *Maqashid Sharia* Index in Malaysia is 27.2%. followed by Bahrain by the average of educating individual of 0.15%, uphold the justice of 26.1% and maslahat of 0.22%. this result opsite the result by [Muhammad & Taib \(2015\)](#) which found that the measurement of Malaysia Islamic banking performance increased when measured by Maqasid Al-Syariah.

The total average of *Maqashid Sharia* Index in Bahrain of 29.8%. this result contrasted by [Antonio, et. al. \(2012\)](#) stated that the average Islamic Maqashid Index of Islamic banks in Indonesia was better than Islamic banking in Jordan. Also by [Nugraha, et. al, \(2020\)](#) stated hat there is no significant difference between the application of Islamic maqashid in Indonesia and the implementation of Islamic maqashid in Bahrain. Also from [Hidayat & Abdulla \(2015\)](#), on the comparison of the financial performance

of Takaful and conventional insurance companies in Bahrain using solvency, liquidity, profitability, underwriting performance and efficiency measures. Found that conventional insurance companies are more profitable and efficient than Takaful.

## CONCLUSION

This study aims to determine sharia Insurance companies performance according to the Maqashid Sharia index. The results of the study found that the best averaged performance ratio of Sharia Insurance is Indonesia at 57.9%, Bahrain at 29.8% and Malaysia at 27.2%. This performance ratios measured by ratings of several insurance performance such PT Asuransi Ramayana, Tbk (IDN), AmMetLife Takaful Berhad (MYS), Hannover Retakaful BSC (BHR), PT Asuransi Export Indonesia (IDN), Takaful International Co.BSC (BHR), and Etiqa Takaful Berhad (MYS).

However further research suggested to use wider performance ratios, and also the scope of this research only limited to three countries with the largest assets. Because this study lies on the limited indicators of maqashid syariah index.

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