*ISSN: 2658-8455*
*Volume 4, Issue 5-1 (2023), pp. 532 -543.*


# Prospects for takaful insurance development in Morocco: analysis of principles, opportunities and recommendations

# Perspectives de développement de l'assurance takaful au Maroc : analyse des principes, opportunites, et recommandations

**Rachid EL MASTOUR**, ***(Doctoral student)***
*Faculty of Economics and Management*
*Ibn Tofail University of Kenitra, Morocco*

**Otman ASRAOUI,** ***(Doctoral student)***
*Faculty of Economics and Management*
*Ibn Tofail University of Kenitra, Morocco*

**Omar KHARBOUCH,** ***(Teacher-researcher)***
*Faculty of Economics and Management*
*Ibn Tofail University of Kenitra, Morocco*

| | |
|---|---|
| **Correspondence address :** | Kenitra Faculty of Economics and Management Kenitra University Campus<br>Ibn Tofail University Morocco (Kenitra) Postal code 14000<br>05 37 32 92 18. |
| **Disclosure Statement :** | Authors are not aware of any findings that might be perceived as affecting the objectivity of this study |
| **Conflict of Interest :** | The authors report no conflicts of interest. |
| **Cite this article :** | EL MASTOUR, R., ASRAOUI, O., & KHARBOUCH, O. (2023). Prospects for takaful insurance development in Morocco: analysis of principles, opportunities and recommendations. International Journal of Accounting, Finance, Auditing, Management and Economics, 4(5-1), 532-543. https://doi.org/10.5281/zenodo.10051507 |
| **License** | **This is an open access article under the CC BY-NC-ND license** |

*Received: September 28, 2023* *Accepted: October 29, 2023*

# prospects for takaful insurance development in Morocco: analysis of principles, opportunities and recommendations

## Abstract:

The emergence of participatory banking institutions and Islamic investments has created a need for appropriate insurance to protect financial and commercial operations against risk. In Morocco, legislation has responded to this demand by introducing Takaful insurance, designed to complement the participatory finance ecosystem. This scientific article analyzes the impact of Takaful insurance since its introduction in June 2022, highlighting its Sharia-compliant nature and its role as an alternative to conventional insurance. It defines the principles of Takaful and how it works, emphasizing its participatory nature and compliance with Islamic standards. Based on cooperation and responsibility, Takaful shares risks between participants while respecting the rules of Islamic jurisprudence. By examining Morocco's assets for the successful implementation of Takaful insurance, this article highlights the opportunities and challenges shaping this participatory insurance and proposes strategies to enhance its growth and competitiveness in the rapidly expanding Moroccan participatory environment. Ultimately, this article aims to provide insights into the successful development of the Takaful industry in Morocco.

**Keywords:** Takaful insurance, Morocco, Islamic finance, cooperation, participative finance, opportunities, challenges, growth, competitiveness, participative ecosystem.
**JEL Classifciation:** G2; K2; K4
**Type of article:** Theoretical Research

## Résumé :

L'émergence des institutions bancaires participatives et des investissements islamiques a suscité la nécessité d'assurances adaptées pour sécuriser les opérations financières et commerciales contre les risques. Au Maroc, la législation a répondu à cette demande en introduisant l'assurance Takaful, conçue pour compléter l'écosystème de la finance participative. Cet article scientifique analyse l'impact de l'assurance Takaful depuis son instauration en juin 2022, mettant en évidence son caractère conforme à la Charia et son rôle en tant qu'alternative aux assurances conventionnelles. Il définit les principes du Takaful et son fonctionnement, soulignant son caractère participatif et sa conformité aux normes islamiques. En se basant sur la coopération mutuelle et la responsabilité, le Takaful partage les risques entre les participants tout en respectant les règles de la jurisprudence islamique. En examinant les atouts du Maroc pour la mise en œuvre réussie de l'assurance Takaful, cet article met en lumière les opportunités et défis qui façonnent cette assurance participative et propose des stratégies pour améliorer sa croissance et sa compétitivité dans le contexte marocain en pleine expansion de l'environnement participatif. En définitive, cet article aspire à apporter des éclairages pour une évolution fructueuse de l'industrie Takaful au Maroc.

**Mots-clés :** Assurance Takaful, Maroc, finance islamique, coopération mutuelle, finance participative, opportunités, défis, croissance, compétitivité, écosystème participatif.
**Classifciation JEL:** G2; K2; K4
**Type de l'article :** Recherche Théorique

ISSN: 2658-8455
Volume 4, Issue 5-1 (2023), pp. 532 -543.


## 1. Introduction

There is no single definition of Islamic finance, but the concept is commonly used to refer to financial and commercial activities that comply with the principles of Islamic law, also known as Shariah. Compliance with Shariah principles enables investments and profits to be made in accordance with the rules of Islamic law. In general, Shariah-compliant financial products and instruments aim to provide an ethical alternative to traditional financing methods.
Islamic finance can be defined as financial services and operations primarily designed to comply with the principles of Shari'a. This definition goes beyond the simple notion of "interest-free" financing, as it encompasses respect for all Shari'a principles, avoiding any illicit acts or activities, and seeking to establish an equitable distribution of resources as well as a fair allocation of risks.
Since insurance companies are financial institutions, Shariah law intervenes to align their activities with its principles, giving rise to takaful, also known as Islamic insurance. Takaful is a form of mutual insurance that complies with Shariah norms and rules. It is based on cooperation, responsibility, protection, and assistance within a group of member-policyholders. In the context of Islamic finance and financial crises, Islamic insurance is becoming increasingly popular in many Muslim countries as an alternative to traditional insurance for protection and provision.
The advent of participative banking institutions and Islamic investments has highlighted the crucial need for suitable insurance to secure financial and commercial transactions against risk. In response to this need, Moroccan legislation has introduced Takaful insurance to complement the participative finance ecosystem.
Since its introduction in June 2022, Takaful insurance has attracted a great deal of interest because of its compliance with Sharia precepts, positioning itself as an alternative to conventional insurance. Takaful is based on the principles of mutual aid and solidarity, strengthening the bonds between participants, while responding to religious considerations relating to the uncertainty of risks and sums to be collected.
The term "Takaful" comes from the Arabic "Kafala", meaning "to guarantee" or "to protect". It encompasses a mutual aid and solidarity agreement between members of a community in the event of loss or damage suffered by one of them. Several definitions of Takaful exist, including those of AAOIFI, IFSB, and ACAPS, all of which emphasize its participatory nature and its conformity with Islamic principles.
Takaful insurance is based on the fundamentals of Islamic finance, namely risk sharing, commitment to a material objective, prohibition of the financing of illicit activities, and non-exploitation of the contracting parties. In the event of a shortfall in the Takaful fund, the operator provides an interest-free loan (Qard Hassan) to cover the shortfall, repayable from future annual fund surpluses.
The Takaful insurance system operates by separating the members (participant funds) from the fund manager (shareholder funds). It is based on mutual cooperation, responsibility, insurance, protection, and assistance between groups or participants, thus respecting the norms and rules of Islamic jurisprudence by proscribing usury (Al-Riba), excessive uncertainty (Al-Gharar), and speculation (Al-Maysir).
Morocco possesses a number of advantages for the successful implementation of Takaful insurance, including a predominantly Muslim population, political stability, a strategic geographical location, government support, and the presence of Casablanca Finance City as a regional financial center. The Takaful insurance system is based on the principles of mutual cooperation (Taawun) and donation (Tabarru) and involves the sharing of risks between participants.
The participative environment in Morocco is booming, and the success of its development relies

to a large extent on the growth of the Takaful business. This insurance model, which complies with the principles of Islamic finance, differs from traditional insurance in its risk coverage and investment mechanisms. In this context, Takaful is seen as a strategic element supporting the financing of banks and participative windows, thus contributing to the construction of a participative ecosystem in Morocco.

This scientific paper aims to analyze the prospects for the development of Takaful insurance in Morocco by defining the key principles and concepts and assessing the opportunities and challenges underlying this participative insurance. In addition, it proposes strategies and recommendations to enhance the growth and competitiveness of the Takaful industry in Morocco

## 2. Literature review

A comprehensive literature review was carried out to explore in depth the determinants of corporate demand for Islamic (Takaful) insurance, with particular emphasis on the example of Malaysia. The review also examined the challenges and prospects for the development of the Takaful industry in the Arab States of the Gulf. Finally, it highlighted those nations that have distinguished themselves through their initiatives in favor of Takaful insurance, thus serving as models for other countries wishing to develop this sector.

Determinants of Takaful Insurance Demand in Malaysia:

The initial study scrupulously analyzed the factors influencing corporate demand for Takaful insurance in Malaysia. The researchers formulated several hypotheses to explore these determinants. The results of this research highlighted the significant impact of debt levels, anticipated bankruptcy costs, tax considerations, company size, and managerial ownership on the demand for Takaful insurance. These findings provide essential insight into the factors shaping the Takaful insurance market in Malaysia.

Challenges and Prospects for the Takaful Industry in the Gulf Arab States:

A complementary study examines the challenges and prospects of the Takaful industry in the Arab States of the Gulf. Despite promising prospects, the industry faces significant obstacles, particularly with regard to the transparency of information and the quality of corporate governance. IFSB has recommended the creation of an autonomous corporate governance board to ensure the smooth operation and sustainable growth of this sector. This recommendation provides a framework for resolving some of the issues facing the Takaful industry in the Gulf region.

Models of Success in the Development of Takaful Insurance:

The literature review identified several countries that have served as successful models in the development and promotion of Takaful insurance. Malaysia has been hailed as a world leader in this field, thanks to its robust regulatory framework and government initiatives conducive to industry growth. Other nations, such as Indonesia, Saudi Arabia, the United Arab Emirates, and Pakistan, have also made significant progress thanks to appropriate regulations, government incentives, and institutional support. These countries offer concrete examples to which other nations can refer to stimulate their own Takaful insurance industry.

This literature review sheds valuable light on the crucial determinants, obstacles, and opportunities influencing the Takaful insurance market, not only in the GCC countries and Malaysia, but also in countries such as Indonesia and Pakistan. This well-established framework of understanding provides an essential basis for an in-depth study of the Moroccan context, enabling us to anticipate the prospects for the development of the Takaful industry in this country.

In several African and European countries, Takaful insurance is gaining in popularity, but it faces a number of unique obstacles and opportunities. Here is a look at the evolution of Takaful

ISSN: 2658-8455
Volume 4, Issue 5-1 (2023), pp. 532 -543.

IJAFAME
International Journal of Accounting, Finance, Auditing, Management & Economics

insurance in these regions:
Takaful insurance in North Africa (Maghreb):
In Maghreb countries such as Algeria, Tunisia, and Morocco, Takaful insurance offers strong growth potential. However, several obstacles stand in the way of its development. These challenges include:
Lack of regulatory framework: The absence of specific regulatory frameworks for Takaful insurance in these countries has been a major brake. Appropriate regulations are essential to foster growth.
Financial market weakness: Local financial markets often have limits in terms of diversification and sophistication, which can affect the availability of diversified Takaful insurance products.
Risk culture: The risk culture in these countries needs to be developed to encourage people to take out insurance, including Takaful products.
However, progress has been made, particularly in Morocco, where a new regulatory framework was introduced in 2016, paving the way for new development opportunities.
Takaful Insurance in Sub-Saharan Africa:
In sub-Saharan Africa, countries such as Kenya and Nigeria have begun to adopt Takaful insurance, although growth is still in the early stages. Opportunities and challenges include
Low Insurance Penetration: Despite a growing middle class, insurance remains largely underutilized in sub-Saharan Africa, offering vast potential for Takaful products.
New regulations: Regulations specific to Takaful insurance have been introduced in some countries, fostering the development of the sector.
Growth of Takaful operators: Operators such as the Takaful Insurance Company of Africa (TIA) have recorded rapid growth, illustrating the market's potential.
Takaful Insurance in Europe:
In Europe, the Takaful insurance sector is also showing signs of growth, particularly in the UK, France and Spain. The main points to note are:

- Advances in Europe: The UK leads Europe in Takaful insurance, with the creation of the Islamic Insurance Association in London and the issue of a Sukuk in 2014.
- Reinsurance market: The world's leading reinsurers, such as Hannover Re and Munich Re, have set up subsidiaries dedicated to Islamic reinsurance, demonstrating their commitment to this sector.
- Market share in France: In France, Takaful insurance currently represents around 2% of the market, with an estimated potential of 3 billion USD.
- Spanish initiatives: Spain has created a cooperative, CoopHalal, to distribute Takaful insurance products.
- The growth of Takaful insurance in Africa and Europe illustrates the growing interest in Shariah-compliant insurance products. However, awareness, education, and appropriate regulations remain essential to further stimulate the growth of this promising sector.

## 3. Research methodology

The methodology of our research, which focuses on the evolution of Takaful insurance in Morocco, comprises four essential phases that will enable us to gain an in-depth understanding of the challenges and opportunities specific to the Moroccan context while drawing inspiration from the successes observed in other nations to foster the development of this sector.

**Phase 1: Analysis of the legal and regulatory framework**

In this first phase, we will examine in detail the legal and regulatory framework governing the Takaful insurance sector in Morocco. We will assess the legislation in force, in particular Law 103-12 of 2015, which laid the foundations for the establishment of participatory banks and

Takaful insurance companies. The authority responsible for regulating and supervising the Takaful sector, the Moroccan Insurance and Social Security Control Authority (ACAPS), will be studied in depth. As the Takaful sector is still in its development phase, we will also examine the specific regulations currently being drawn up and implemented.

**Phase 2: Assessment of Socio-Economic Parameters**

In this phase, we will analyze the socio-economic parameters specific to Morocco that influence demand for Takaful products. We will take into account compliance with Islamic principles, transparency and responsibility, product diversity, awareness and notoriety, the economic and regulatory context, and competitive pricing. We will estimate the growth potential of Takaful insurance in Morocco, with an estimated penetration of between 3% and 5% within 5 to 10 years of its introduction.

**Phase 3: Identification of International Good Practices**

In this crucial step, we will explore international best practice in Takaful insurance, focusing on the success models of countries such as Malaysia, Indonesia, Pakistan and other nations that have fostered the development of this sector. We will study the specific regulations, capital requirements, solvency, corporate governance, risk management and disclosure of these countries. We will also assess the roles of regulatory authorities such as the Central Bank of Malaysia (Bank Negara Malaysia), the Indonesian Financial Services Authority (OJK), the Insurance Commission of Pakistan (SECP), and other similar bodies.

**Phase 4: Issuing Recommendations to Support the Growth of Takaful Insurance in Morocco**

Finally, based on the information gathered in the previous phases, we will draw up specific recommendations to support the growth of Takaful insurance in Morocco. These recommendations will be designed to be applicable in the Moroccan context, taking into account the specificities of the country and the opportunities identified. We will seek to propose practical measures to promote the growth of Takaful insurance, thereby strengthening Morocco's position as a regional development hub for participatory finance in Africa.
In short, this methodology offers a structured and comprehensive approach to studying the evolution of Takaful insurance in Morocco. It is based on an in-depth analysis of the legal framework, the socio-economic environment, international best practices, and the issuing of relevant recommendations for the development of this sector. By combining these four phases, we hope to contribute to the advancement of Takaful insurance in Morocco and its sustainable growth.

## 4. Summary of the literature review:

This section provides a comparative overview of the Takaful insurance market in Morocco and the markets mentioned in the literature review, namely Malaysia, Indonesia, and Pakistan. This comparison highlights the similarities and significant differences, as well as the explanatory factors influencing these variations.
**Points in common:**
Rapid growth: All markets have experienced rapid growth since the introduction of Takaful insurance. This reflects people's growing interest in Sharia-compliant financial services.
**Muslim population:** a predominantly Muslim population that is showing a growing interest in Sharia-compliant financial services supports Markets.

**Regulatory framework:** Each country has established a regulatory framework to oversee and regulate the Takaful sector, demonstrating a commitment to the development of this industry.
**Differences:**
**Stage of development:** The Moroccan Takaful insurance market is still in the development phase, while those in Malaysia, Indonesia, and Pakistan are more established.
Regulation and supervision: Malaysia has stronger regulation and a more effective supervisory system than other markets. This contributes to the greater maturity and stability of its Takaful sector.
**Product diversity: The** Takaful market in Malaysia is more diversified in terms of products and services, offering customers a wider range of choices.
**Factors explaining the differences:**
**Market development stage:** Morocco is still in the development phase, while other countries have more mature Takaful markets, benefiting from the experience and expertise of market players.
Regulation and supervision: The maturity and effectiveness of regulatory frameworks and supervisory systems vary from country to country, influencing the stability and growth of the Takaful sector.
**Product and service diversity:** More advanced markets, such as Malaysia, offer a wider and more sophisticated range of Takaful products and services, attracting more customers.
**Consumer awareness and education:** Consumer awareness and education vary from country to country, influencing demand for Takaful products.
**Government support:** Active government support for the Takaful industry can help the sector to grow faster. This can take the form of tax incentives, favorable regulations or training programs.
**Synergies with other Islamic finance sectors:** Countries with well-developed Islamic finance sectors can benefit from synergies between Takaful insurance and other areas, stimulating faster growth.
Competition and market dynamics: Competition between operators can encourage innovation, improved products and services, and greater efficiency, which can contribute to faster growth in the sector.
In short, this comparison highlights the importance of considering the specific context of each market when developing strategies to promote Takaful insurance.
Morocco can draw on the best practices and lessons learned from more mature markets while adapting these lessons to its specific needs and opportunities to foster the growth of Takaful insurance in the country.

## 5. Outlook for the Moroccan market:

The Takaful insurance industry in Morocco is closely linked to the evolution of regulatory and legal frameworks. As a developing market, Morocco's Takaful sector has undergone a series of reforms to bring it into line with Shariah principles, while guaranteeing participant protection and financial stability. Here is an overview of recent developments in the regulation of Takaful insurance in Morocco:
Law 103-12: In 2015, Morocco took a major step forward by passing Law 103-12 governing participatory banks and Islamic finance products. This law laid the foundations for the establishment of participatory banks and Takaful insurance companies in Morocco. The Moroccan Insurance and Social Security Supervisory Authority (ACAPS) was tasked with regulating and supervising the Takaful sector. However, as the industry is still in its development phase, specific Takaful regulations are still being drawn up and implemented.
Implementation of Takaful Guidelines: Over the years, ACAPS has developed specific

guidelines for the Takaful industry. These guidelines cover various aspects of Takaful insurance, including corporate governance, products, reinsurance, and Sharia-compliant asset management. These guidelines aim to ensure that Takaful insurance companies comply with Shariah standards while maintaining financial strength.

Role of Sharia Councils: Sharia Councils play a crucial role in the supervision of Takaful products and operations. Morocco has seen the emergence of these councils, made up of Shariah-educated members, who review and validate the compliance of Takaful insurance products. This initiative reinforces the credibility and legitimacy of Takaful products among participants.

Transparency and Financial Reporting: Moroccan regulations require Takaful insurance companies to be more transparent in their financial reporting, including disclosure of the methods used to calculate contributions and profits, as well as information on assets held and operations carried out. This transparency strengthens the confidence of participants International collaboration: Morocco has sought to collaborate with international organizations and authorities specializing in Islamic finance and Takaful insurance. These collaborations aim to share best practices and align with international standards to strengthen the sector's competitiveness.

Ongoing evolution: The Takaful industry in Morocco is constantly evolving, with regular revisions to regulations to meet changing industry needs and evolving international practices. The evolution of Takaful insurance regulation in Morocco is a key aspect of the sector's growth. Regulators and insurance companies are working in tandem to create an environment conducive to the expansion of Takaful insurance, while ensuring compliance with Sharia principles. This ongoing evolution is essential to build the confidence of participants and investors, and to promote the sustainable growth of the Takaful industry in Morocco**.**

Having reviewed the above, it is clear that the Moroccan Takaful insurance market is about to experience a variety of significant opportunities and challenges. Here is a more in-depth discussion of these aspects:

**Opportunities:**

Majority Muslim population: Morocco is home to a majority Muslim population, creating a potentially lucrative market for financial products in line with Sharia principles. Moroccan consumers are likely to be interested in Takaful insurance products that comply with their religious beliefs. Governmental and regulatory support: The Moroccan government and regulators are showing a commitment to the development of the participatory finance industry, including Takaful insurance. The support of these key players fosters an environment conducive to the growth of this industry**.**

Synergies with Islamic Finance: The growth of the Islamic finance sector in Morocco creates opportunities for synergies with other segments of the industry, such as participative banking and Sharia-compliant investments. Close collaboration between these segments can lead to more comprehensive financial solutions and greater accessibility for consumers.

Growing demand for transparency and ethics: Moroccan consumers are showing increasing interest in more transparent, ethical, and responsible insurance products. Takaful insurance, by respecting the principles of risk sharing and Sharia compliance, meets this growing demand.

Product range diversification: The Moroccan market offers an opportunity to explore and diversify the range of Takaful insurance products available. This will enable insurance companies to better meet specific customer needs and remain competitive.

**Challenges:**

Awareness and education: A major challenge lies in the lack of consumer awareness and education. Many Moroccans find it difficult to understand the differences between Takaful and conventional insurance products. An effective communication strategy is needed to overcome this barrier.

ISSN: 2658-8455
Volume 4, Issue 5-1 (2023), pp. 532 -543.


Competition with conventional insurance: Takaful insurance companies face fierce competition with well-established conventional insurers in terms of pricing, products, and distribution. They need to find ways of offering unique advantages to attract customers.
**Limited expertise:** There is a lack of Takaful-specific expertise and experience among industry professionals and regulators. Training and skills development are essential to meet this challenge.
**Appropriate regulatory framework:** The need for an appropriate regulatory framework is crucial to support the growth of the Takaful industry. This includes rules and guidelines that take into account the specificities of these products.
**Innovation and diversification:** The industry needs to innovate and offer Takaful products that are competitive in terms of price, coverage, and quality. Product diversity is also essential to meet the variety of customer needs.
Legislation and infrastructure: The development of Takaful legislation and infrastructure, as well as the promotion of responsible investment, remain challenges for the sustainable growth of the industry.
**Strategies and recommendations:**
To improve the growth and competitiveness of the Takaful industry in Morocco, here are some key strategies and recommendations to consider:
**Awareness and education:** Informing consumers about the benefits and principles of Takaful insurance is essential. Awareness campaigns must be set up to explain the differences with conventional insurance.
**Adapted Regulatory Framework:** Working closely with regulators to put in place a regulatory framework conducive to the growth of the Takaful industry and the promotion of fair competition.
**Training and skills development:** Encourage industry-specific training for Takaful professionals and regulators. Sharing expertise from more mature Takaful markets can be valuable.
**Innovation and diversification:** Develop a varied range of Takaful products that meet customers' specific needs and are competitive in terms of price, coverage and quality.
Cooperation and Synergies: Explore potential synergies between Takaful insurance and other segments of Islamic finance, such as participative banking and Shariah-compliant investments.
**International partnerships:** Establish partnerships and collaborations with Takaful insurance companies and industry experts in other countries to share best practices and strengthen the competitiveness of the Moroccan industry.
**Infrastructure development:** Investing in the development of Takaful infrastructure, such as technology platforms and risk management systems, to support industry growth.
**Responsible Investment:** Promoting socially responsible investment and ESG (environmental, social and governance) initiatives in the Takaful insurance sector to attract more ethically conscious customers.
**Government incentives:** Seek government support for tax incentives and other benefits to encourage the development and growth of the Takaful industry in Morocco.
**Transparency and Communication:** Establish transparent communication and reporting mechanisms to strengthen consumer and investor confidence in the industry.
By implementing these strategies and working closely with the various stakeholders, the Moroccan Takaful insurance market will be better prepared to overcome challenges and exploit opportunities. It will also strengthen Morocco's position as a center of Islamic finance in Africa and the Arab world.

## 6. Conclusion

The Takaful insurance sector in Morocco faces both challenges and opportunities. However, a collaborative strategic approach with the various stakeholders could foster sustainable growth and increased competitiveness in the insurance market. Major positive prospects for the sector include growing demand, driven by the country's economic and demographic expansion, opportunities for product and market diversification, and continued improvement in the legal and regulatory framework.

The integration of digital technologies and innovation in the design and distribution of Takaful products will play a crucial role in the expansion and profitability of the sector while offering more efficient customer experiences. In addition, strategic partnerships with other market players and the use of existing infrastructures, notably Casablanca Finance City, will enable Takaful insurance companies to broaden their range and increase their market presence.

Overall, it is essential that Takaful insurance companies, regulators, and other stakeholders work together to meet the current challenges and fully exploit the opportunities of the Moroccan market. This collaboration and commitment to innovation and continuous improvement will enable the Takaful industry in Morocco to thrive and become a key player in the insurance landscape.

In order to effectively promote the adoption of Takaful insurance in Morocco, the following proposals are put forward:

Optimal regulatory framework: The Moroccan government should establish a clear and conducive regulatory framework, aligned with Sharia principles while guaranteeing the security and confidence of participants.

Awareness and education: It is imperative to conduct awareness-raising and training campaigns to inform the Moroccan population about the advantages and principles of Takaful insurance, in order to generate informed demand.

Specialized Training: It is essential to provide specialized training for insurance professionals and sales agents, ensuring a thorough understanding of Islamic principles and an adapted service delivery.

Product Innovation: Encourage innovation in the design of Takaful products that meet the specific needs of the Moroccan market, taking into account the various categories of the population.

These recommendations aim to create an environment conducive to the growth of Takaful insurance in Morocco, by aligning practices with Islamic principles and raising public awareness.

Takaful insurance in Morocco represents a major opportunity for the insurance industry and investors alike. Despite the challenges, the sector has experienced significant growth, and its future looks promising. Takaful insurance companies, in collaboration with regulators, will need to continue raising awareness and developing innovative products to thrive in this booming market.

**References:**

(1). Badji, D. (2019). "Islamic finance, potential income for growth and development of the primary sector: the case of the department of Ziguinchor."
(2). Belkadi, S. (2012). The challenges of bancassurance and prospects for its development in Algeria, Option: Monnaie, finance et banque.
(3). Boumchella, Y. And M. Bouarour (2016). Évolution des produits d'assurances de personnes en Algérie 2005/2015: Incidence sur le taux de bancarisation et d'épargne, Université Mouloud Mammeri.
(4). Charbonnier, J. (2010). "Islamic insurance." Insurance and Risk Management Vol 78: 351- 381.
(5). CHERKAOUI, A. (2015). "THE MARKETING OF ALTERNATIVE BANKING PRODUCTS IN MOROCCO: CONTEXT, CONSTRAINTS AND PROSPECTS." Revue De Gestion et d'Économie 3(3): 309-324.
(6). CHROQUI, R. And E. S. D. T. LAMSAD (2018). "ISLAMIC BANKSIN MOROCCO: DEVICES, CHALLENGES AND PROSPECTS."
(7). El Khamlichi, A. (2012). Ethique et performance: le cas des indices boursiers et des fonds d'investissement en finance islamique, Université d'Auvergne-Clermont-Ferrand I.
(8). Haliche, R. And Y. Charchour (2020). La pratique de la bancassurance en Algérie Study of the AMANA-BADR and BNA-AGLIC partnership, Université Mouloud Mammeri.
(9). Jaadani, a. and a. Ouchekkir (2023). "factors influencing consumers' intention to choose takaful insurance: a literature review." international journal of accounting, finance, auditing, management and economics 4(4-1): 615-630.
(10). jaadani, a. And a. Ouchekkir (2023). "the implementation of financial technology in the moroccan insurance sector, start-up obstacles and proposed solutions." international journal of accounting, Finance, Auditing, Management and Economics 4(3-2): 402-416.
(11). Jaouhari, l. (2017). "analysis of participatory financing techniques and risk management process: case of the musharaka product." revue d'etudes en management et finance d'organisation 2(2).
(12). Jaouhari, l. And s. Bouhadi (2022). "the practice of the mourabaha product and the precepts of the conseil superieur des oulemas (cso): quels points de convergences et de divergences?" revue internationale des sciences de gestion 5(3).
(13). Kahoul, Y. And B.-A. Chebira (2013). "The contribution of the marketing mix in the development of life insurance in Algeria." Assurances et Gestion des Risques 81.
(14). Kamega, A. (2011). Outils théoriques et opérationnels adaptés au contexte de l'assurance vie en Afrique subsaharienne francophone-Analyse et mesure des risques liés à la mortalité, Université Claude Bernard-Lyon I.
(15). Kamega, A. And F. Planchet "Presentation of the life insurance market in sub-Saharan Africa."
(16). Lopez, B. (2016). "Development aid between rights, influence and cultural diversity." Revue Internationale d'Intelligence Economique 8(1): 27-45.
(17). Mouhssine, y. And a. Mabrouk (2022). "participatory insurance in morocco." recherches et applications en finance islamique (rafi) 6(1): 84-96.
(18). Ngandop, c. D. (2021). Determinants of islamic bank performance: a comparative and longitudinal analysis including governance mechanisms, Université Bourgogne Franche- Comté.
(19). Sayf Eddine, T. And F. Z. Tilout "La finance islamique au niveau des pays émergents:

étude comparative entre le système bancaire participatif au Maroc et en Turquie Islamic finance in emerging countries: A comparative study between the participative banking system in Morocco and Turkey."

(20). Sid Ahmed, S. And H. Sadaoui (2021). Evolution et perspectives de marché des assurances en Algérie, Université Mouloud Mammeri.

(21). Thiam, M. (2013). De la religion à la banque : Contribution à l'étude d'un droit bancaire islamique en France, Université de Toulon.