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CONVERGENCE OF AAOIFI AND IFSB STANDARDS: A NEW INSTITUTIONAL ARCHITECTURE FOR SHARIAH NON-COMPLIANCE RISK MANAGEMENT IN ISLAMIC BANKS

Abduraxmonov Javlonbek Ravshan o'g'li

Master's Student in Foreign Economic Activity, Faculty of International Economics and Management, UWED

Ubaydullayeva Go'zalxon Murodqosim qizi

Master's Student in Foreign Economic Activity, Faculty of International Economics and Management, UWED

Murotov Akmal Xakimovich

Associate Professor, Department of International Finance and Investments, UWED

Abstract. Between 2022 and 2026, the relationship between the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) and the Islamic Financial Services Board (IFSB) evolved through a process of functional convergence in Shariah governance. Although the two organizations jointly issued an exposure draft of a Revised Shari'ah Governance Framework (RSGF) in 2022, this did not result in a single unified standard. Using document analysis and a functional comparative-legal method, this article reconstructs the 2022–2026 chronology and evaluates the resulting standardization architecture. The findings show that, rather than abandoning convergence, AAOIFI and IFSB developed complementary, differentiated bodies of standards: AAOIFI governs institution-level Shariah governance (GS 1, GS 19–23), while IFSB-31 (2025) addresses supervisory-level oversight. Together these form a multi-level architecture integrating Shariah compliance into enterprise risk management. Because both bodies operate as international soft law, however, convergence at the international level does not guarantee coherent national implementation. For Uzbekistan's emerging Islamic banking sector, this architecture offers a potential latecomer advantage, contingent on coherent integration of institutional and supervisory requirements into the national legal framework.

Keywords: Islamic banking; AAOIFI; IFSB-31; Shariah governance; Shariah non-compliance risk; standards convergence; functional convergence; soft law; Islamic windows; Uzbekistan.

1. INTRODUCTION

Islamic finance has grown from a marginal segment of global finance into a systemically significant sector in a number of jurisdictions. According to the IFSB, total Islamic finance industry assets reached USD 4.4 trillion in 2025, growing at 13.4 percent annually, with Islamic banking accounting for approximately 69.3 percent of this total [1]. Growth is increasingly concentrated outside traditional markets: between 2020 and 2025, Islamic banking assets in Central Asia grew at an average

[1]Islamic Financial Services Board, Islamic Financial Stability Report 2026 (Kuala Lumpur: IFSB, May 2026), 12.

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annual rate of 20.0 percent, the second-highest regional rate worldwide [2]. This globalization intensifies demand for a coherent regulatory and standardization infrastructure, since new markets' adoption of international standards depends largely on the coherence and institutional applicability of those standards.

Islamic banks' risk profile differs from conventional banks' in one important respect: exposure to Shariah non-compliance risk, which the IFSB defines as the operational risk arising from an institution's failure to comply with Shariah rules and principles in its products and services [3]. Because this risk category is absent from Basel Committee instruments, two specialized standard-setters — AAOIFI, established in Bahrain in 1991 [4], and IFSB, established in November 2002 and headquartered in Kuala Lumpur [5] — occupy a central role in its regulation, raising the question of how authority and functions are allocated between two independent organizations differing in membership and mandate.

The two organizations' mandates have historically overlapped in Shariah governance, creating uncertainty for national regulators as to which instrument should prevail. Prior literature has documented uneven development of Shariah governance across jurisdictions and resulting fragmentation of practice [6], but has not sufficiently explained the institutional logic underlying the emerging division of functions between AAOIFI and IFSB — a gap this article addresses by moving from describing fragmentation to explaining its institutional causes and consequences.

To address overlapping mandates, AAOIFI and IFSB jointly issued an exposure draft of the "IFSB–AAOIFI Revised Shari'ah Governance Framework for Institutions Offering Islamic Financial Services" (RSGF) in 2022, envisaging a single final standard that would replace both organizations' existing instruments, fully or in part [7]. By 2026, however, this joint initiative had not been published as a unified standard; instead, both organizations developed and issued separate new standards and guidance.

This raises the research question addressed here: what institutional outcomes has the announced convergence process actually produced, and what changes has it brought to Shariah non-compliance risk management in Islamic banks? The article's objective is to identify the actual results of the 2022–2026 AAOIFI–IFSB convergence process and evaluate them institutionally, through three tasks: reconstructing the chronology from primary sources; comparatively analyzing the resulting standardization architecture; and identifying its practical implications for Uzbekistan's emerging Islamic banking system. In doing so, the article distinguishes formal convergence — adoption of a single joint instrument — from functional convergence — the complementary allocation of mandates

[2]IFSB, Islamic Financial Stability Report 2026, 15.

[3]IFSB-31, Guiding Principles for Effective Supervision of Sharī‘ah Governance (Kuala Lumpur: IFSB, July 2025), 22.

[4]AAOIFI, "Our History."

[5]IFSB-31, 2.

[6]A. Yakubu et al., "Governance Gaps and Shariah Non-Compliance: A Critical Review of Institutional Practices and Regulatory Responses," International Journal of Research and Innovation in Social Science IX, no. X (2025): 9697–9710.

[7]AAOIFI, "The AAOIFI and IFSB Jointly Issued Exposure Draft of 'IFSB-AAOIFI Revised Shari'ah Governance Framework for Institutions Offering Islamic Financial Services (RSGF)'."

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among distinct organizations — allowing convergence to be assessed not by whether a unified document was adopted, but by how standardization functions have been redistributed and reconciled.

2. MATERIALS AND METHODS

This study applies qualitative document analysis and a comparative-legal method, appropriate to normative instruments that express institutional mandates and regulatory approaches rather than directly observable behavior. The comparative stage applies a functional methodology, following Michaels [8], under which documents issued by two independent organizations differing in form and legal status are compared by the regulatory function they perform rather than the issuing body's institutional status, since instruments of different form may perform the same substantive function of managing and supervising Shariah compliance risk.

Three groups of primary sources were used: the standards themselves — IFSB-31 (2025), AAOIFI GS 1 (2024 revision), GS 19–23, and the 2022 RSGF exposure draft; official bulletins and press releases of both organizations, establishing publication dates and institutional relationships; and the IFSB's 2026 Islamic Financial Stability Report together with Uzbekistan's current Islamic-banking legislation, providing practical and legal context. Sources were selected for public availability and a verifiable official reference; page and paragraph numbers are cited wherever possible to support verifiability and reduce the risk of selective quotation.

The analytical framework distinguishes three levels of Shariah governance: (a) the institutional level — a bank's internal Shariah governance bodies, controls, and processes; (b) the supervisory level — a regulator's expectations and oversight mechanisms; and (c) the national legal level — integration of international standards into national legislation. Each document was classified by its directly addressed subject (financial institution, supervisory authority, or national legislator) and by its normative status (binding or recommendatory), forming the basis of the comparison in Table 2.

The study's limitations follow directly from this design: it relies exclusively on document analysis rather than econometric, survey, or other empirical data; because most standards examined are recent, little empirical evidence yet exists on their implementation or effectiveness; and document coding involved a degree of subjectivity not verified by an independent second coder. The article therefore evaluates the content, structure, and functional allocation of the standards rather than their real-world effectiveness.

3. RESULTS

3.1. The Actual Direction of AAOIFI–IFSB Convergence

If convergence is measured solely by the emergence of a single final joint instrument, the 2022 initiative did not succeed. A stepwise reconstruction from primary sources, however, points to a different conclusion: rather than proceeding toward a unified document, the process continued along two parallel standardization tracks after 2022 (Table 1). In early 2024, AAOIFI released six draft

[8]R. Michaels, "The Functional Method of Comparative Law," in The Oxford Handbook of Comparative Law, ed. M. Reimann and R. Zimmermann (Oxford: Oxford University Press, 2006), 339–382.

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governance standards for public consultation and, in December 2024, finalized five of them [9]. The sixth — GS 23, on applying Shariah governance principles to Islamic finance windows — followed later, after an extended consultation [10]. IFSB, meanwhile, adopted IFSB-31 at its 46th Council meeting in Rabat on 2 July 2025, explicitly noting that the new standard does not replace its earlier IFSB-10 [11].

Table 1. AAOIFI–IFSB Convergence Chronology (2022–2026)

Date	Document / Event	Institutional Outcome
April 2022	Joint AAOIFI–IFSB RSGF exposure draft	Single joint standard envisaged; full or partial replacement of both organizations' prior standards planned
Jan.–Feb. 2024	AAOIFI opens six draft governance standards for public consultation	AAOIFI proceeds independently with its own institution-level governance framework
Dec. 2024	GS 1 (2024 revision), GS 19, GS 20, GS 21, GS 22 finalized	Five institution-level standards: general framework, Shariah board appointment, functions, reporting, subsidiaries
2 July 2025	IFSB-31 adopted (46th Council meeting, Rabat)	15 supervisory-level principles; does not replace IFSB-10, but complements it
Jan. 2026	GS 23 — application of Shariah governance principles to Islamic windows	Sixth output of the original project; delayed by an extended consultation period
March 2026	AGEB Statement 1/2025	Exemption from external Shariah audit under GS 1, reducing duplication

Source: compiled by the author based on official AAOIFI and IFSB publications.

[9]AAOIFI, "The AAOIFI Governance and Ethics Board (AGEB) Issues Five Governance Standards on Shari'ah Governance."

[10]AAOIFI, "The AAOIFI Governance and Ethics Board (AGEB) Issues AAOIFI Governance Standard (GS) 23 'Application of Shari'ah Governance Principles to Islamic Finance Windows'."

[11]IFSB, "IFSB Council Adopts New Standard and Approves the Issuance of a Guidance Note," 5 July 2025.

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The chronology confirms that the plan to finalize a single joint standard announced in 2022 was not realized. This is not, however, sufficient grounds to interpret the process as a failure of convergence. On the contrary, a substantive comparison of the resulting documents shows a distinct functional division emerging between AAOIFI and IFSB: AAOIFI independently developed standards regulating institution-level Shariah governance mechanisms in detail, while IFSB developed an approach oriented toward effective supervision. The process is therefore better interpreted not as an abandonment of joint standardization but as the emergence of functional specialization across levels of Shariah governance — elaborated through the substantive comparison in the following section.

3.2. Division of Labour Between Institutional and Supervisory Levels

IFSB-31 makes this functional division explicit: the standard states that it does not aim to duplicate Shariah governance structures already addressed in IFSB-10 and does not cover general corporate governance matters [12]. Its focus lies not in prescribing an institution's internal Shariah governance structures, but in the supervisory activity a regulator exercises over that system. AAOIFI's standards, by contrast, define in detail how Shariah governance should be organized within the institution itself. The two sets of standards together form a complementary structure spanning different institutional levels, summarized in Table 2.

Table 2. Comparative Characteristics of AAOIFI and IFSB Standards

Criterion	AAOIFI (GS 1, 19–23)	IFSB-31
Directly addressed subject	Islamic financial institution (bank, board, Shariah bodies)	Supervisory authority (central bank, financial regulator)
Core question	How should the bank organize its Shariah governance?	What should the regulator require from, and examine in, the bank?
Regulatory approach	Detailed rules and requirements	Principle-based approach
Islamic windows	GS 23 — dedicated standard; parent-company relationship and proportionality	Principle 6 — board's ultimate responsibility; qualified head appointment
Relation to risk	Shariah decision-making, internal Shariah audit, compliance function	Principle 4 — obligation to integrate Shariah requirements into risk management
Legal status	Not binding; effective only upon national regulatory adoption	Not binding; implementation recommended by January 2027

Source: compiled by the author based on AAOIFI GS 1, 19–23 and IFSB-31.

[12] IFSB-31, 5, para. 7.

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Convergence has thus manifested functionally rather than as a single joint instrument. This division is closely tied to the institutional character of the two bodies. Because IFSB's membership consists predominantly of central banks and supervisory authorities, its work is oriented toward prudential oversight and supervisory expectations. AAOIFI, by contrast, has built its standard-setting experience around engagement with Islamic financial institutions and the sector's professional community. This differentiation can be interpreted through the lens of comparative institutional advantage: each organization has developed standardization activity at the level of Shariah governance closest to its own mandate and expertise, so the relationship between the two bodies of standards is best read as functionally complementary rather than competitive.

The same pattern recurs at the level of specific topics. Islamic windows, for example, are addressed separately: IFSB-31's Principle 6 requires an appropriate Shariah governance system for the window and assigns ultimate responsibility for its effective functioning to the bank's board, together with appointment of a suitably qualified head [13]. AAOIFI GS 23 regulates the same subject at the institutional level, addressing the window's relationship with its conventional parent and allowing certain requirements to be adapted on grounds of proportionality [14]. IFSB-31 thus emphasizes the supervisor's expectations, while AAOIFI GS 23 emphasizes the institution's internal governance mechanisms — illustrating, for a single topic, the broader division of labour identified above.

3.3. Shariah Non-Compliance Risk Management Under the Emerging Architecture

IFSB-31's Principle 4 sets out the core requirements for managing Shariah non-compliance risk: supervisory authorities are expected to require institutions to integrate the principles set by their Shariah board into the overall risk-management system, establish mechanisms for identifying, measuring, and mitigating Shariah non-compliance risk, and introduce clear escalation procedures for timely response to non-compliance events [15]. This institutionalizes Shariah compliance risk within the bank's enterprise risk-management architecture: compliance is treated not as an isolated process but as a constituent element of the bank's overall risk-management system.

One organizational basis for this integration is the "three lines of defence" model: business units conducting operations under principles set by the Shariah board; Shariah compliance and risk-management functions operating independently of those units; and an internal Shariah audit function organizationally separated from the compliance function [16]. The standard specifically excludes internal Shariah audit from tasks belonging to the first two lines, securing its independence functionally as well as formally.

Alongside this structure, the standard sets out operational mechanisms completing the risk-management chain. Transparency requirements are of particular importance: under Principle 5, supervisors are expected to require that all instances of Shariah non-compliance be reported regardless of materiality, including procedural errors producing no direct financial consequence [17]. This treats

[13]IFSB-31, 15, paras. 55–57.

[14]AAOIFI, "AGEB Issues AAOIFI Governance Standard (GS) 23."

[15]IFSB-31, 14, paras. 48–50.

[16]IFSB-31, 13, para. 41.

[17]IFSB-31, 14, para. 52.

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non-compliance itself, not only cases resulting in loss, as an event requiring oversight. Principle 10 similarly sets out procedures for purifying non-compliant income and disposing of non-compliant assets, with particular attention to preventing conflicts of interest in distributing purified funds [18].

On institutional model, the standard envisages two approaches: a centralized structure — a central Shariah body within the regulator or established by statute — or one based solely on bank-level Shariah boards. Where a centralized model is chosen, governance requirements applicable to bank-level boards, including independence, adequate resourcing, and conflict-of-interest safeguards, should also apply to it [19], reflecting IFSB-31's principle-based character and its adaptability across differing legal systems.

Taken together, these mechanisms show that Shariah compliance is being transformed from an isolated religious-control function into an integrated governance and risk-management process spanning identification, escalation, disclosure, and remediation — a transformation that, rather than any single mechanism in isolation, constitutes one of this article's central analytical findings.

3.4. Why the Supervisory Layer Is Necessary

The need for a supervisory-level standard alongside institution-level Shariah governance can be justified on two grounds. The first is the potential for weaknesses in Shariah governance to affect prudential stability. The 2026 IFSB report's Bangladesh example illustrates this link: a single business group, acting through interconnected structures, held a controlling stake in five of the country's ten full-fledged Islamic banks, and at the largest of these institutions 81–83 percent of shares were concentrated through twenty-four related parties. Financing extended to related parties reached nearly 50 percent of total financing, and the institution's capital adequacy ratio turned negative by 2024 [20]. This case demonstrates the financial-stability significance of independent oversight, audit, and timely prudential intervention linked to Shariah governance weaknesses.

The second ground is the growing prevalence of "hybrid risks." The IFSB describes such cases as arrangements that formally satisfy the contractual requirements of an Islamic financial instrument while their economic substance and risk allocation converge toward those of conventional finance [21]. A similar gap can arise, in profit-sharing investment accounts, between the contractual allocation of risk and actual practice: banks in many jurisdictions stabilize returns through mechanisms such as profit equalisation reserves and investment risk reserves, so that certain commercial risks that should in principle fall on investment account holders are in practice absorbed by the bank [22]. Identifying the gap between a product's formal contractual form and its actual economic substance is therefore not a matter for an institution's internal Shariah governance bodies alone; independent assessment by external supervisors plays an important complementary role. Together, these two considerations show that Shariah non-compliance risk cannot be treated solely as an internal governance matter: because its

[18]IFSB-31, 17, paras. 69–70.

[19]IFSB-31, 9, paras. 18–21.

[20]IFSB, Islamic Financial Stability Report 2026, 22, Box 1.1.

[21]IFSB, Islamic Financial Stability Report 2026, 46, Box 2.1.

[22]IFSB, Islamic Financial Stability Report 2026, 24.

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consequences may extend to prudential stability, managing it requires an approach spanning both internal governance and external supervision.

4. IMPLICATIONS FOR UZBEKISTAN

The legal foundation for Islamic banking in Uzbekistan was established by Law No. O'RQ-1126, signed on 27 March 2026 and entered into force on 28 June 2026, three months after publication [23]. The law introduces Chapter 10-1 and Articles 67-3 and 67-4 into the Law "On the Central Bank of the Republic of Uzbekistan," providing for an Islamic Finance Council under the Central Bank while also allowing commercial banks to establish their own Shariah boards [24].

This structure approximates a two-level model of Shariah governance. The Islamic Finance Council functionally resembles the centralized Shariah-body model envisaged by IFSB-31, while bank-level Shariah boards correspond to the institution-level mechanisms regulated by AAOIFI GS 19–21. This resemblance should be assessed not as a direct transposition of international standards but as a functional fit between Uzbekistan's own institutional model and the AAOIFI–IFSB approaches. Phased implementation plans reinforce its practical significance: at least one commercial bank is expected to launch an Islamic window in 2026, with two full-fledged Islamic banks planned by 2030, while the Central Bank's full membership in both AAOIFI and IFSB strengthens the country's institutional links to both standardization systems [25].

The model thus creates an opportunity to apply institution-level Shariah governance together with supervisory-level prudential oversight in a coordinated manner. Its practical effectiveness, however, will depend less on the existence of international standards than on how clearly mandates are delineated and integrated into the national regulatory system.

Because Uzbekistan has only recently begun regulating Islamic banking, it is relatively unlikely to inherit institutional inconsistencies formed under earlier, overlapping international standards, and has the opportunity to integrate the new architecture coherently from the outset — a form of "latecomer advantage." This advantage is not automatic: it materializes only where supported by adequate legal, institutional, and human-resource capacity, a constraint the IFSB's 2026 report emphasizes generally for rapidly expanding emerging markets [26]. In the initial stage, requirements for Islamic windows are likely to take precedence over those for full-fledged banks; AAOIFI GS 23 and IFSB-31's Principle 6 are directly relevant here, given the planned 2026 window launch. Realizing the architecture's advantages will further depend on developing qualified specialists in Shariah governance, risk management, compliance, and internal audit.

Because AAOIFI and IFSB standards remain soft law, their national application may still diverge: IFSB-31 allows proportional application and recommends implementation only by January

[23]Law of the Republic of Uzbekistan No. O'RQ-1126 of 27 March 2026.

[24]Association of Banks of Uzbekistan, "A Law Regulating Islamic Banking Activity Has Been Adopted."

[25]Spot.uz, "More Than 10 Banks in Uzbekistan Are Preparing to Introduce Islamic Finance — Central Bank Chairman," 26 March 2026.

[26]IFSB, Islamic Financial Stability Report 2026, 42.

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2027, without automatically binding adoption [27]. For Uzbekistan, this creates a concrete risk of selective adoption — integrating IFSB-31's expectations for the Islamic Finance Council while under-integrating the corresponding AAOIFI requirements for bank-level Shariah boards — which would weaken the coherence of the two-level architecture the country is otherwise well placed to build from the outset.

5. DISCUSSION

These findings clarify what convergence itself should be taken to mean. Convergence between standard-setters is conventionally assessed by whether a single joint instrument is adopted — formal convergence. In the AAOIFI–IFSB case, a different pattern has emerged: the two bodies of standards remain formally separate, but their functional scope has differentiated in a largely non-duplicative way. This pattern can be described as functional convergence, in which a shared regulatory objective — integrated management of Shariah non-compliance risk — is pursued through distinct but complementary instruments. The distinction matters theoretically because it shows that coordination among international standard-setters should be assessed not only by whether documents are unified, but by how clearly mandates are delineated and how far they complement one another.

This also allows the process to be understood through the lens of soft law and networked governance. Coordination among international financial standard-setters need not always take the form of a single binding instrument [28]; functional fit among separately issued standards can likewise produce a coordinated regulatory outcome, consistent with broader accounts of transnational regulatory networks and post-crisis banking governance operating without a single hierarchical standard-setter [29]. The AAOIFI–IFSB relationship is thus better assessed as a network of standards serving one regulatory objective across institutional levels than as formal unification. Such an architecture offers practical advantages — reduced duplication and more independent updating, illustrated by AGEB Statement 1/2025, which reduces duplicative external Shariah-audit burdens under GS 1 [30] — but also risks. Because the two bodies of standards are updated independently, normative inconsistencies cannot be excluded, and no single binding mechanism exists to resolve them; the stability of functional convergence therefore depends on continued inter-organizational coordination. The division also burdens national regulators, who must master, delineate, and integrate two independent bodies of standards rather than rely on one instrument — a task demanding disproportionate resources in jurisdictions with limited capacity.

Because AAOIFI and IFSB standards remain international soft law, national adoption may diverge considerably more broadly than in the Uzbek case discussed above. Selective adoption allows

[27]IFSB-31, 6, paras. 12–15.

[28]K. Alexander, R. Dhumale, and J. Eatwell, "International Soft Law and the Formation of Binding International Financial Regulation," in Global Governance of Financial Systems: The International Regulation of Systemic Risk (Oxford: Oxford University Press, 2005), 134–154; L. Quaglia, "The Politics of State Compliance with International 'Soft Law' in Finance," Governance 32 (2019): 45–62.

[29]X. Li, "How Effective Are the Transnational Regulatory Networks? A Perspective of International Financial Regulation"; "The Basel Committee on Banking Supervision in the Post-Crisis International Governance of Banking Regulation," in The Evolution of Transnational Rule-Makers through Crises (Cambridge: Cambridge University Press, 2023), 116–130.

[30]AAOIFI, "Issued Standards — Governance Standards."

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national systems to account for local conditions but also risks weakening the functional coherence achieved internationally, so that a measure of institutional fragmentation may persist even where international standards have converged functionally [31]. This is not specific to any one jurisdiction; it is an inherent feature of soft-law coordination among standard-setters whose instruments take legal effect only upon national adoption.

These conclusions should be read alongside the study's methodological limitations, noted above: reliance on document content rather than empirical effectiveness or practitioner perspectives, and a single-jurisdiction Uzbek case not automatically generalizable elsewhere. Future research could examine the empirical relationship between IFSB-31 adoption after its recommended January 2027 date and the frequency of non-compliance events, compare Uzbekistan with other emerging Islamic banking markets to test the latecomer-advantage hypothesis, and triangulate these document-based findings through interviews with regulators and practitioners.

6. CONCLUSION

This study yields five main conclusions. First, the AAOIFI–IFSB joint standard announced in 2022 did not culminate in the single instrument originally envisaged, but this does not mean convergence stalled: between 2022 and 2026, both organizations' standard-setting activity instead took on a new, functionally differentiated form. Second, the resulting architecture rests on a functional division of labour, with AAOIFI covering institution-level requirements and IFSB covering supervisory-level principles, such that the two bodies of standards function as complementary rather than competing instruments. Third, this architecture allows Shariah non-compliance risk to be understood not as a religious process separated from banking operations but as a constituent part of the bank's integrated risk-management system, in which the three-lines-of-defence model, escalation procedures, disclosure of non-compliance events, and purification mechanisms serve as key instruments. Fourth, because AAOIFI and IFSB standards are soft law applied proportionally, they may be adopted differently at the national level, so the practical outcome of functional convergence depends substantially on national regulators' decisions on adoption and coordination. Fifth, the study shows the need to distinguish analytically between formal and functional convergence, since coordination among international standard-setters should be assessed not only by whether a single document is produced but by how clearly mandates are delineated and how far standards complement one another.

For Uzbekistan, the following recommendations follow. First, the legal status of the Islamic Finance Council's decisions — whether binding or advisory — should be clearly defined in subordinate legislation, to delineate mandates and ensure coherent integration of international standards into national law. Second, priority should be given, at the initial stage, to developing Shariah governance requirements for Islamic windows, coordinating AAOIFI GS 23 and IFSB-31 within national requirements. Third, a unified mechanism for identifying, recording, escalating, reporting, and remediating Shariah non-compliance events should be established from the outset, applied regardless of materiality. Fourth, regulatory and institutional capacity should be strengthened progressively alongside market development, in particular by training qualified specialists in Shariah

[31] U. A. Oseni and M. K. Hassan, "Managing Shariah Non-Compliance Risk via Islamic Dispute Resolution," Journal of Risk and Financial Management 13, no. 1 (2020): 2.

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governance, risk management, compliance, and internal audit — a condition central to the practical effectiveness of the standards examined here.

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